



Glasgow Children's Hospital Charity

Continuing the care of
Yorkhill Children's Charity

Glasgow Children's Hospital Charity

Consolidated Report and Financial Statements
Year ended 31 March 2017

Company number: SC222439

Charity number: SC007856

Glasgow Children's Hospital Charity
Consolidated Report and Financial Statements 2017

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Chairman's Report

It is with great pleasure that I present my Chairman's Report for 2016/17 which I am delighted to say was another very successful year for Glasgow Children's Hospital Charity.

Since the Royal Hospital for Children in Glasgow opened its doors in June 2015, Glasgow Children's Hospital Charity has contributed over £11.5million of charitable funds to obstetric, neonatal and paediatric care on the hospital campus, and its related community services. This has ensured that we can continue to provide the best possible care and experience to children and their families who are treated and cared for at Scotland's largest children's hospital. This is a remarkable achievement given the turbulent economic, political and social landscape that we are operating within. In common with many other organisations in our sector, we are all facing significant financial challenges. I am therefore delighted to report that our income for 2016/17 was £4.2million which is a noteworthy achievement especially against this uncertain backdrop, and is testament to the loyalty and steadfast support of our donors, fundraisers and volunteers alike.

Despite the challenges faced by the Charity in 2016, most notably a significant name change following the loss of the 'Yorkhill' brand and the equity that it held, I am delighted to report that we continue to retain our position at the heart of the Royal Hospital for Children in Glasgow and work in partnership with the Women & Children's Directorate of NHS Greater Glasgow and Clyde to enhance the care and services provided to hundreds of thousands of children and their families from throughout Scotland on an annual basis.

Our achievements in 2016/17 have been significant. The Charity has continued to secure funds for a varied portfolio of medical equipment, family support services, hospital programmes and paediatric research – all of which help to support babies, children and young people with a health issue in Scotland. We have continued to strive to be at the forefront of medical advances, and are very proud to have been able to fund state of the art medical equipment this year which is only available in a handful of paediatric institutions throughout Europe, most notably a Neurosurgical Endoscope used to treat children with tumours, cysts and hydrocephalus. In common with other third sector organisations, the Charity is having to respond to an increasing demand on funds to alleviate poverty. The Charity is now helping to support families whose children are treated at the hospital and are experiencing financial hardship exacerbated by the health issues of their children. The Charity is now in a stronger position to be responsive to these issues, and ensure that we can support as many people as possible.

Despite the challenging landscape that the Charity is operating within, we have adopted and implemented a proactive organisational strategy which places greater emphasis on areas of service and programme delivery and presents a platform for strong awareness and recognition on a national scale. This has been a significant strategic choice for the Charity, and allows us to invest in new prioritised areas which offer opportunities both to our beneficiaries, and to the Charity.

This year, the Charity embarks on an exciting appeal to raise funds to expand the early phase clinical trials portfolio that is currently available within the Schiehallion Clinical Trials Centre at the Royal Hospital for Children, Glasgow. This is a bold and ambitious appeal for the Charity, as we attempt to bring more of the latest cancer treatments to Scotland in an early phase clinical trial. These trials could help to save or improve the lives of young cancer patients from across Scotland and beyond. We look forward to exploring new opportunities with the Schiehallion Appeal, and will continue to work with our partners to secure the very best for the people we support.

Chairman's Report (cont'd)

I would like to offer my heartfelt thanks to all who contributed in so many ways to making the past year so successful. To our Board of Directors, old and new, for their support, advice and guidance; to our sub-committees for giving us their time and expertise; to the staff of Glasgow Children's Hospital Charity for their hard work and determination; to our loyal and dedicated volunteers who are such a valuable part of our team; to our supporters and fundraisers from all over Scotland who once again have shown how much they care with their unstinting support and their incredible achievements.

Thank you to you all.

P Watson

Peter Watson
Chairman

Dated: 26 September 2017

Directors' Report

The Directors have pleasure in presenting their Annual Report together with the audited group Financial Statements for the year ended 31 March 2017 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.

Objectives and activities

Vision, mission and values

Our vision - all children and young people who are treated at the Royal Hospital for Children, Glasgow have the best care and experience possible.

Our mission - we will be the most successful and effective children's healthcare charity in Scotland. We will provide world class medical equipment and research, innovative play programmes and enhanced family resources.

Our values:

- Compassionate - we care about sick children and young people
- Ambitious - we aim to be the best in everything we do embracing innovation at all times
- Collaborative - we are committed to working in partnership with our key stakeholders
- Respect - an ethos of respect underpins all that we do

Charitable objectives

The objects of the company are to provide and support excellence in paediatric, obstetric and neonatal healthcare with particular reference but not restricted to innovative medical equipment, play activities, child and family support, paediatric research, professional development and other projects enhancing the treatment, care and wellbeing of babies, children, young people and their families in the Royal Hospital for Children, Glasgow as well as other hospital and community based services both nationally and internationally.

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.

Directors' Report (cont'd)

Objectives and activities (cont'd)

Activities

The Charity is a grant-making organisation which generates the 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

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 the Royal Hospital for Children, Glasgow. The applications are reviewed against certain criteria and objectives agreed by the Professional Scientific Advisory Committee which makes recommendations to the Charity's Board. Decisions regarding award of grants 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 for approval of awards of an emergency nature up to £10k between quarterly Board meetings and these are reviewed and ratified by the Board at the subsequent meeting.

Achievements and performance

In a year of significant change in both the internal and external environments, the Charity is delighted to have exceeded our targets for income and spend on charitable activities. With the generous support of our donors we raised **income of £4.2m**. This generosity allowed us to support the hospital with a **spend of £2.8m on charitable activities**.

When the new state-of-the-art Royal Hospital for Children, Glasgow opened in June 2015, the Charity had already invested £5.5m of enhanced equipment and services, and we are immensely proud to have contributed further **charitable funding of £6m** in the two years since then for the benefit of the children and young people treated there.

The Charity successfully ran two major fundraising appeals during the year to raise funds to purchase innovative items of medical equipment, a surgical microscope and a neurosurgical endoscope.

The state-of-the-art surgical microscope will help thousands of children at the Royal Hospital for Children, Glasgow through its use in a range of procedures including facial reconstruction, cleft surgery, tumour removal and lower limb reconstruction. The detail, precision and clarity provided by the microscope, the first of its kind in a children's hospital in Scotland, gives surgeons the ability to make more informed decisions, reducing the psychological distress that some children suffer from multiple procedures. The Charity would like to give special thanks to the Morrisons Foundation for their extremely generous donation of £150k towards the surgical microscope.

Directors' Report (cont'd)

Achievements and performance (cont'd)

The neurosurgical endoscope, also the first of its kind in a children's hospital in Scotland, and one of only a handful in Europe, is used in life saving surgery for children with brain tumours, cysts and hydrocephalus. Surgery for these conditions can be very risky carrying the potential, for severe and permanent disability. The endoscope gives the surgeons a minimally invasive way to operate on the brain, performing safer more effective surgery with a much better outcome for the children. The Charity is grateful to the RS Macdonald Charitable Trust and the Meningitis Association Scotland for their generous contributions of £25k and £4k respectively towards this appeal for the neurosurgical endoscope.

"The conditions we treat are very serious. They are often life-threatening, and treatment can involve a high degree of risk. There's very little margin for error. The endoscope makes a significant difference to the children that we treat by allowing me and my team to perform minimally invasive, more effective and safer surgery, which will ultimately lead to a better outcome for all of the children that we treat here."

Mr Roddy O'Kane, consultant neurosurgeon at the Royal Hospital for Children, Glasgow.

The Charity also funded two endoscopes for the gastroenterology team at RHC at a combined cost of £67k which allow for improved diagnosis and treatment for patients from across the West of Scotland with often complex gastroenterological and inflammatory bowel conditions.

Research plays a pivotal role in helping us to achieve our vision, with hospital and university staff continually striving for the advancement of children's health. In 2016 the Charity provided £75k of funding to support the opening of Scotland's first Office for Rare Conditions in Children. Several hundred children from around Scotland are treated for a rare condition at the hospital each year, and the Office works to support the health care professionals and researchers who are involved in the care of these children. Rare conditions are chronic and are often, but not always, life-threatening. While some conditions are common and affect a number of people, the vast majority will affect far fewer, sometimes a handful or even a single child in the whole of the UK. As 75% of rare conditions are identified in childhood, it is vital to obtain as comprehensive an understanding of these conditions as possible in order to improve the treatment that patients receive, both today and in the future.

"The establishment of Scotland's first Office for Rare Conditions in Children is a pioneering move towards the improved knowledge and treatment of a wide range of conditions, each of which has its own unique challenges. Through local oversight and surveillance of the treatment and management of young people suffering with challenging rare illnesses, we can take great steps towards improving the overall care that they and their families receive."

Professor S. Faisal Ahmed, Samson Gemmell Chair of Child Health, School of Medicine, University of Glasgow

In collaboration with parents, patients and staff, the Charity has continued our programme of enhancements to the hospital environment. The sights and sounds of the hospital can have a significant impact on the experience and wellbeing of children and their families and the Charity has worked with many creative agencies to transform the waiting areas, family rooms, play rooms and other spaces from being clinical and often intimidating, to being brighter, more welcoming and cheerful.

Directors' Report (cont'd)

Achievements and performance (cont'd)

In the year we enhanced the following areas in the hospital:

- Theatres – 11 anaesthetic rooms, a recovery bay and waiting area
- Paediatric Intensive Care Unit – ward entranceway and corridors, 14 single bed rooms and 8 bed bays
- Therapies Hub – physiotherapy gym and hydrotherapy pool
- Imaging & Diagnostics Department – corridors, 3 waiting areas, 11 treatment / consulting rooms, 2 MRI rooms, fluoroscopy room, CT scan room and nuclear medicine room
- 3 conference / seminar rooms used for teaching and learning
- Main atrium of the hospital – 10 pillars and staircase

"The complete revamp of the theatre and anaesthetic rooms are quite spectacular and the children have a distraction, particularly in the cardiac theatre where the patient is anaesthetised on the operating table. The decoration of the room ensures that the table is not the first thing they see and concentrate on. It has made a huge difference to the paediatric environment and is enjoyed by many."
Elaine Johnston, Lead Nurse, Paediatric Intensive Care Unit

The Charity engaged artists from the Anouk Foundation for two of these enhancement projects. The artists worked closely with the staff, parents, children and young people to develop the look and theme of the artwork, specific to the needs of that area. The waiting areas and treatment rooms in the Imaging & Diagnostics Department were transformed from bare clinical walls where no daylight was present, to warm, soothing and welcoming spaces with therapeutic murals. The more cheerful and comforting environment reduces the fears and anxieties of patients and helps improve communication and collaboration between staff, parents and patients for a more successful clinical outcome.

"It makes it feel like a children's hospital".
Mary Pirie, Lead Radiographer.

Our partnership with NHSGGC was celebrated in the work on the pillars and staircase in the main atrium of the hospital which were transformed by the Anouk Foundation with warm, cheerful, friendly and age-appropriate designs incorporating NHSGGC values of comfort, joy, love, nurturing, teamwork, listening, caring, playing, family and safety. For many children and their families, the main atrium is their first experience of a hospital environment, and it was really important for the Charity that this space was truly representative of the rest of the enhancement work carried out throughout the hospital, and created a reassuring impression for children of all ages.

Hospital visits and stays, regardless of length of time, can often be frightening and confusing for children. Our structured Play and Events programme entertains and reassures children throughout their hospital journey, helping overcome their fears and bringing moments of joy and laughter in the most difficult circumstances. The hospital based team ensures that children at the hospital have the chance to play every day. From the Clown Doctors programme to our volunteer play makers, the Teddy Hospital to the Teen Zone, and through our year long programme of exciting and fun events, we provide age and needs appropriate play opportunities to every ward and department in partnership with NHSGGC. In total the Charity invested £644k in our wide-ranging Play and Events programme.

Directors' Report (cont'd)

Achievements and performance (cont'd)

The Charity is thankful for the £10k donation from The Gannochy Trust in support of our play service.

In 2015 the Charity updated its charitable objectives to include seeking 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.' Since then these services have expanded significantly to meet rising demand.

The Charity is most appreciative of the STV Children's Appeal who have again pledged £106k to continue the Family Needs Assessment & Support Service into the 2017/18 financial year, a pioneering initiative to provide immediate financial, practical and emotional relief to families who struggle to cope with the financial pressures of caring for their ill children. From October 2016 the opening hours of the Family Support & Information Service have been extended to include late night Thursday and all day Saturday each week enabling many more families to access this vital service. The Centre is a haven of support and reassurance, at what can be the most difficult and challenging of times for families.

Over the past year, the Financial Inclusion Service has helped 408 families in need to access a combined total of £2.3m (2016: £955k) in benefits and welfare support which they had previously been unable to access. Many of these families are living on very low incomes (over half of the families helped by the service this year had annual income of £15k or less).

Volunteers

The Charity's volunteers make an invaluable contribution to the organisation. The Charity has 221 active volunteers (2016: 202) contributing nearly 12,000 hours of their own time to benefit children, young people, and their families at the Royal Hospital for Children and to assist with the busy programme of events and fundraising activities throughout the year.

The Charity works in partnership with NHSGGC to deliver the volunteer programme at the Royal Hospital for Children, Glasgow and has 129 (2016: 114) hospital-based Charity volunteers who are there to help children and their families across a wide range of functions including play makers, MediCinema film screenings, the Readathon trolley service, hospital welcome guides, health & beauty services, volunteer drivers and more. Charity volunteers are also the face of the Fundraising Hub at the hospital.

Play maker volunteers help on the wards and in clinics with arts and crafts, playing games, reading stories and playing. They distract the young patients from what can often feel like a scary hospital environment by helping them to relax and have fun.

In June 2016 the Charity launched a Volunteer Driver role to support the NHSGGC Donor Milk Bank. A team of 13 drivers make weekly trips across Scotland collecting breast milk from donors, returning it to the Milk Bank site, at the Queen Elizabeth University Hospital campus and delivering treated milk to 14 neo-natal units across Scotland. This is an incredibly valuable service, and one which the Charity has supported financially in previous years.

Directors' Report (cont'd)

Volunteers (cont'd)

In addition to hospital volunteers, the Charity has 92 (2016: 88) 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.

Financial Review

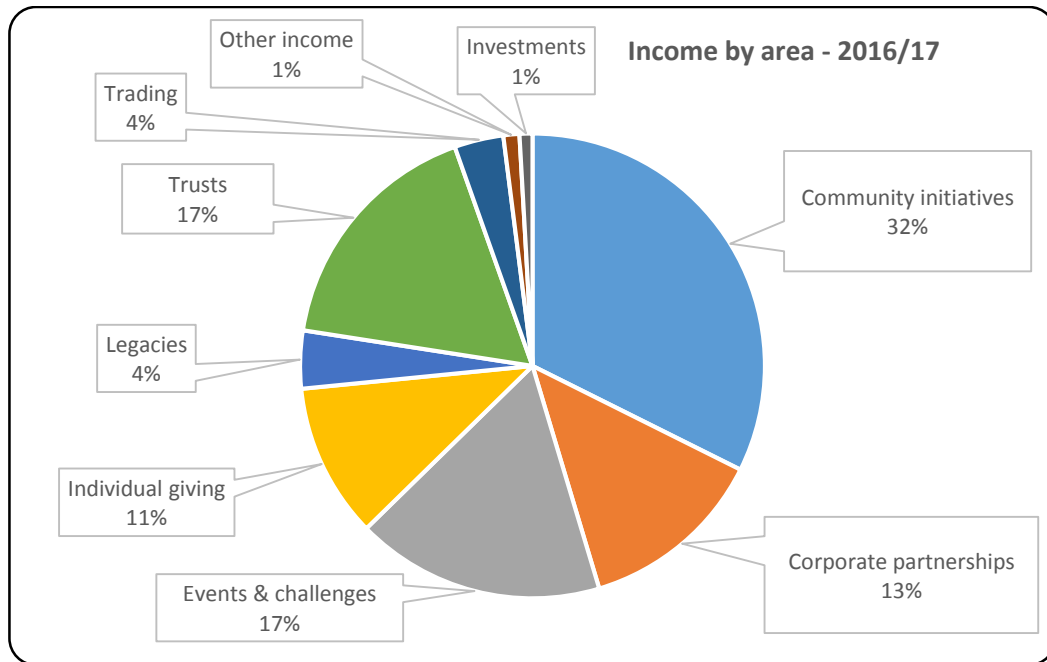
Financial Objectives	Result
Achieve income budget of £4,013,053	Exceeded – income total of £4,202,253 – improvement on budget of £189,200
Achieve cost of generating income from donations & legacies ratio of 34.0%	Exceeded – ratio of 32.4% (<i>excl. Gifts in Kind</i>)
Achieve charitable expenditure of £2,652,438	Exceeded – expenditure of £2,824,842 – improvement on budget of £172,404

As anticipated, 2016/17 was a challenging year for the Charity through a combination of external and internal factors. The current landscape of the third sector is such that all charities are operating in an increasingly competitive environment, facing wide-ranging changes to fundraising regulations and data protection regulations in addition to a high level of political and economic uncertainty. Internally the Charity is continuing to feel the impact of last year's name change and having to work very hard to rebuild our position in the market while maintaining the support and funding to the Hospital and the children and young people we support. Amidst an ever changing landscape, our contribution of £2.8m in charitable expenditure this year, is a huge achievement.

Directors' Report (cont'd)

Financial Review (cont'd)

The 2016/17 income split by source:



The income achieved in the 2016/17 financial year of £4.2m showed a reduction of £348k on the prior year which was anticipated when the budgets were compiled, taking into account the name change, the external landscape and a one-off major donation of £350k in the 2015/16 financial year. We are very pleased to have exceeded our budget for the year by £189k.

In common with many other fundraising charities, we are experiencing a contraction of community fundraising income with this income stream showing a reduction of 10.7% on the year before. We are however very encouraged that the number of donors actively fundraising for the Charity through a variety of activities such as runs, walks or holding a fundraising event of their own has risen by 16% overall. There is currently a high level of political and economic uncertainty in the UK and this has almost certainly had an impact on fundraising income from grass roots / community support, which is to be expected.

Offsetting this are increases in activity and fundraising income by donors participating in challenge events (increase of 143%) including skydives and our highly successful bespoke Arctic trek. In the year an intrepid team of 17 completed an arduous 100km hike across the Arctic circle, raising £115k for the Charity, contributing towards various projects including the new Office for Rare Conditions. Our long standing relationship with the KiltWalk raised £98k in the year and continues into 2017 where the monies raised are in support of our appeal for the Schiehallion Unit, Wards 2A and 2B, at the Royal Hospital for Children, Glasgow.

Directors' Report (cont'd)

Financial Review (cont'd)

In the year we have continued to develop meaningful, value added partnerships with small, medium and large scale companies and businesses throughout Scotland and beyond. Our successful partnership with Buchanan Galleries grew from £10k in 2015/16, to £24k in 2016/17 through a range of activities in the Centre itself including a 10 week summer indoor beach, a 20 day Christmas pop up shop and gift wrapping service and hosting a variety of performers and entertainers within the Centre during the busy Christmas period. The Charity continues to offer strong, tangible volunteer opportunities for many companies, and these have taken the form of decorating, gardening and event participation.

Events also continue to be a real growth area for the Charity. We were delighted that our 10th Annual Ball in November 2016 raised an amazing record net funds of £120k as part of our Christmas appeal to purchase the neurosurgical endoscope. The event was attended by over 500 guests and was a real success.

Another area where we have invested internal resources in recent years is Trusts and Foundations. This income stream has increased by 31% with an additional 27 Trusts and Foundations donating over and above the previous year.

A new brand - Glasgow Children's Hospital Charity

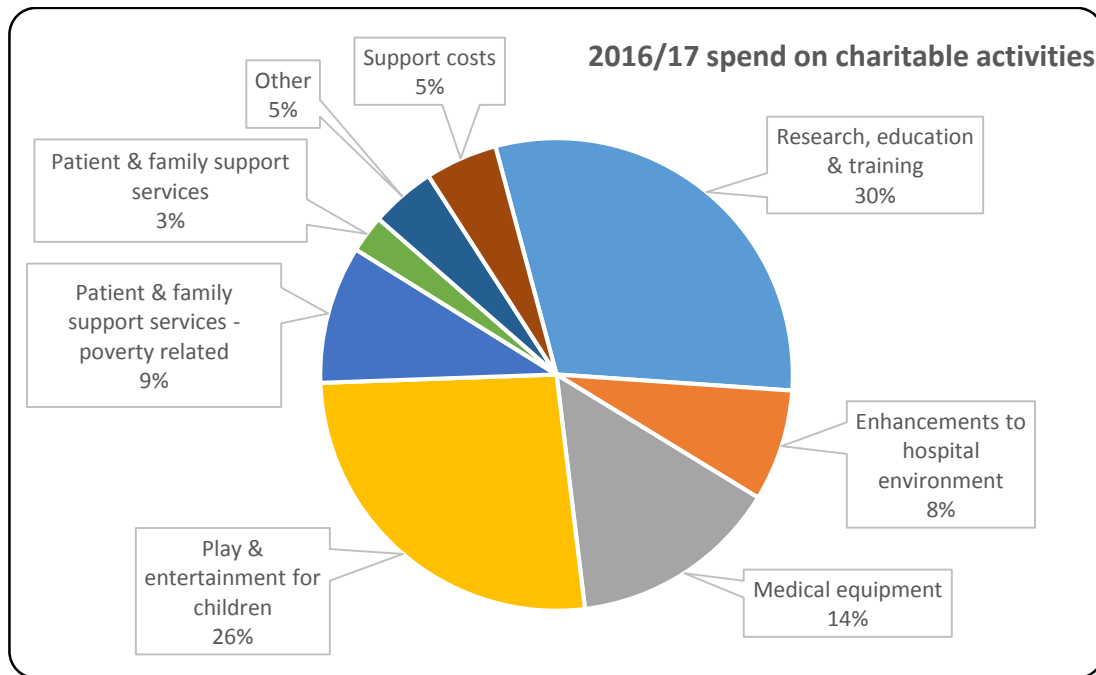
The change of name from Yorkhill Children's Charity to Glasgow Children's Hospital Charity in February 2016 had clear implications for the Charity and was central to everything that the Charity undertook in the year. Despite the challenges of re-establishing the brand, continued and significant progress has been made in growing our presence and supporter base across all digital platforms.

- Facebook page likes have increased by 19%, year on year.
- Average Facebook daily reach increased by 82%, year on year.
- Instagram follower base continuing to grow and is larger than key competitors within the children's healthcare category.
- Twitter follower base grown by 21%, year on year.

Directors' Report (cont'd)

Financial Review (cont'd)

The Charity was able in the year to support the Royal Hospital for Children, Glasgow with grant awards totalling £2.8m split by area of activity as follows (items and projects greater than £25k are detailed in Note 9 of the financial statements):



Thanks to the unwavering support of our donors, fundraisers and volunteers alike we have been able to enhance the care and experience provided at the hospital. Thanks to the Family Support and Information Service we have been able to support families like Lesley Condie and David Byrne, whose son Nathan was born with a congenital heart defect and spent the first six months of his life in the hospital.

“The Family Support and Information team came to ICU to talk to us about Disability Living Allowance. They made it all so quick, easy and took away the stress from the daunting forms. At first we didn't think we needed help because we both worked. As time went on we noticed the costs of having a child in hospital mounting. We're so glad that we were referred and applied for the support, I was really concerned about going back to work and missing out on time with Nathan, as we missed out on so much during his first six months. The allowance means that I can possibly return to work on 30 hours instead of 37 hours per week, giving me an extra day to spend precious time with Nathan. It's priceless.”

Lesley Condie

Directors' Report (cont'd)

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 have 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 0.9% against an inflation rate of 2.3% (CPIH at March 2017).

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:

- potential further contractions in grass-roots community based income streams adversely impacting our ability to continue to fund a full range of charitable activities,
- potential reductions in the amount of donors who may be contacted about fundraising appeals as a result of changes in General Data Protection Regulations requiring unambiguous consent to contact from May 2018,
- the uncertainties in the social, political and economic landscape in the UK.

These risks are being managed by robust multi-faceted Fundraising and Marketing & Communications strategies. The fundraising team are actively engaging with community supports at a grassroots level and continuing to diversify the fundraising portfolio with further growth in corporate partnerships, Trusts & Foundations and bespoke events. Our planned 2017 tele-marketing campaign is providing the opportunity to provide an interactive and personal service to donors, leading to better engagement, retention and stewardship whilst also providing a vehicle to obtain opt-in consent.

Directors' Report (cont'd)

Reserves

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

Unrestricted Funds:

Designate general reserve	600,000
General funds	412,547
	<hr/>
	1,012,547
Restricted Funds	2,042,473
	<hr/>
Total Funds	3,055,020

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 financial statements have been prepared on a going concern basis as the Board consider that the Charity has sufficient reserves and detailed management accounts are prepared and scrutinised on a regular basis.

Plans for future periods

In June 2017 we launched a major fundraising appeal to raise £500k for the Haemato-Oncology Unit of RHC affectionately known as the Schiehallion Unit. Funds raised from the Schiehallion Appeal 2017 will support the expansion of early phase cancer trials at the Royal Hospital for Children in Glasgow. As a centre of medical excellence, funds raised from this public appeal will facilitate the expansion of the Schiehallion Clinical Trials Centre based onsite at the Royal Hospital for Children, Glasgow. Early phase cancer trials provide a lifeline to many children and young people where conventional medicines and treatments have failed. Having the ability to offer some of Scotland's sickest children access to an early phase trial here in Glasgow, prevents the tough and arduous journey that some families face, when going elsewhere in the UK for treatment.

The organisation strategy 2015 – 2018 and associated operating plans were written and approved against a backdrop of considerable uncertainty around the landscape the Charity would come to operate in once the Royal Hospital for Children had moved from the Yorkhill site to its new location in June 2015. The external landscape has changed dramatically since then as a result of elections, referenda, high profile cases of inappropriate charity behaviours, new fundraising regulations, new Data Protection regulations regarding consent to contact and an increasingly competitive third sector.

Directors' Report (cont'd)

Plans for future periods (cont'd)

In addition to those factors impacting all Scottish charities, we have been managing the loss of equity held in the 'Yorkhill' name and the establishment of the new charity name in Glasgow and throughout Scotland.

Throughout this the Directors and Senior Management Team have monitored and measured each change and taken proactive steps to mitigate risks to income and charitable activities accordingly. We have updated the final year of our strategy to reflect the current position and while some forecasts have shifted, the overarching objectives remain true and we continue to strive to:

- Grow awareness of the Charity throughout Scotland and increase our fundraising income year on year to allow us to continue to increase our charitable activities, and
- Work in partnership with NHS Greater Glasgow & Clyde in delivering shared objectives and developing and enhancing our current level of service delivery within the Royal Hospital for Children, Glasgow.

For the 2017/18 financial year, income, and amount available for charitable expenditure, are forecast as £4.4m and £2.8m respectively.

Reference and administrative details

Charity number	SC007856
Company number	SC222439
Registered office	2 nd Floor, PSP House, 50 High Craighall Road, Glasgow G4 9UD

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, and the Chief Executive.

Directors and Trustees

Professor Peter Watson (Chairman)
Mr Robert Tomlinson (Vice-Chairman)
Mr Stuart Anderson (Secretary)
Mr Jonathan Bryden (Treasurer)
Professor Syed Faisal Ahmed
Dr Graham Bell
Mr Frame Broadfoot (resigned 23 August 2016)
Miss Victoria Drysdale (appointed 23 August 2016)
Dr Abid Faqir (appointed 15 February 2017)
Professor Susan Hart (resigned 31 May 2016)
Mr Francis McGuire (resigned 5 August 2016)
Mr Andrew Parratt (appointed 23 August 2016)
Dr Alison Rennie
Ms Jennifer Rodgers (appointed 23 August 2016)
Mr Robert Vaughan

Directors' Report (cont'd)

Reference and administrative details (cont'd)

Chief Executive

Shona Cardle

Auditors

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

Bankers

Bank of Scotland
174 Byres Road
Glasgow G12 8SW

Solicitors

Turcan Connell
Sutherland House
149 Saint Vincent Street
Glasgow G2 5NW

Structure, governance and management

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 2016) 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, operations 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.

Directors' Report (cont'd)

Organisational Structure (cont'd)

There are four sub-committees, each chaired by a Director, 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, 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.

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.

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 (Chairman)
Mr Stuart Anderson (Secretary)
Miss Victoria Drysdale
Dr Abid Faqir
Mr Andrew Parratt
Ms Jennifer Rodgers
Mr Robert Vaughan

Directors' Report (cont'd)

Organisational Structure (cont'd)

Directors represent independent professional individuals and medical and other staff at the Royal Hospital for Children, Glasgow. The maximum number of Directors is 16 and the Chair may not be an employee of NHS Greater Glasgow & Clyde. 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 hold 'away days' periodically to review the strategic direction of the organisation and receive refresher training as required.

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.

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 regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102: 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the surplus or deficit of 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;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The Directors are responsible for ensuring that adequate accounting records are maintained that are sufficient to show and explain the charitable company's and the group's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and ensuring their proper application in accordance with charity law, 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, having made enquiries of fellow Directors and the group's auditors that they ought to have individually taken, have 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.

On behalf of the Board

S Anderson

Stuart Anderson
Director and Secretary

Dated: 26 September 2017

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF GLASGOW CHILDREN'S HOSPITAL CHARITY FOR THE YEAR ENDED 31 MARCH 2017

We have audited the financial statements of Glasgow Children's Hospital Charity group and parent company for the year ended 31 March 2017, which comprise the Consolidated and Parent Company Statement of Financial Activities (incorporating Income & Expenditure Account), the Consolidated and Parent Company Balance Sheet, the Consolidated and Parent Company Statement of Cash Flows and the related notes numbered 1 to 26.

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'.

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, 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 directors and members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the company's directors and members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Responsibilities of the Directors statement, set out on pages 17 and 18, the Directors (who are also the Trustees of the charitable company for the purpose of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and the Companies Act 2006 and report in accordance with regulations made those Acts.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Directors' Report and Chairman's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based in, or materially inconsistent with, the knowledge

INDEPENDENT AUDITORS' REPORT TO THE DIRECTORS AND MEMBERS OF GLASGOW CHILDREN'S HOSPITAL CHARITY FOR THE YEAR ENDED 31 MARCH 2017 (cont'd)

Scope of the audit of the financial statements (cont'd)

acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

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 2017 and of the group's and charitable company's incoming resources and application of resources, including its 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 Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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:

- the charitable company has not kept proper and adequate accounting records; 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 prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Directors' Report.

M Hopper

Marion Hopper

Senior Statutory Auditor

For and on behalf of

Hardie Caldwell LLP

Statutory Auditors

Glasgow

Dated: 29 September 2017

Hardie Caldwell LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

Company number: SC222439

Charity number: SC007856

Consolidated Statement of Financial Activities
(Incorporating an Income and Expenditure Account)
For the year ended 31 March 2017

	Note	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Income from:					
Donations and legacies	3	1,505,400	1,741,436	3,246,836	3,832,367
Other trading activities	4	324,658	593,015	917,673	672,826
Investment income	5	22,648	15,096	37,744	45,374
Total income		1,852,706	2,349,547	4,202,253	4,550,567
Expenditure on:					
Raising funds:					
Donations and legacies	7	984,292	78,860	1,063,152	1,178,748
Other trading activities	7	200,814	112,684	313,498	295,526
Charitable activities	7,8,9	801,785	2,023,057	2,824,842	3,361,657
Total expenditure		1,986,891	2,214,601	4,201,492	4,835,931
Net movement in funds before unrealised gains / (losses) on investments					
Unrealised gains / (losses) on investments	15,17	(134,185)	134,946	761	(285,364)
		5,018	-	5,018	(1,814)
Net income / (expenditure)	22	(129,167)	134,946	5,779	(287,178)
Transfers between funds	22,23,24	110,387	(110,387)	-	-
Net movement in funds for the year		(18,780)	24,559	5,779	(287,178)
Reconciliation of funds:					
Total funds brought forward	22,23,24	1,031,327	2,017,914	3,049,241	3,336,419
Net movement in funds for the year		(18,780)	24,559	5,779	(287,178)
Total funds carried forward	22,23,24	1,012,547	2,042,473	3,055,020	3,049,241

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 2017

	Note	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Income from:					
Donations and legacies	3	1,505,400	1,741,436	3,246,836	3,832,367
Other trading activities	4	231,105	593,015	824,120	570,041
Investment income	5	22,640	15,096	37,736	45,365
Total income		1,759,145	2,349,547	4,108,692	4,447,773
Expenditure on:					
Raising funds:					
Donations and legacies	7	984,292	78,860	1,063,152	1,178,748
Other trading activities	7	107,253	112,684	219,937	192,732
Charitable activities	7,8,9	801,785	2,023,057	2,824,842	3,361,657
Total expenditure		1,893,330	2,214,601	4,107,931	4,733,137
Net movement in funds before unrealised gains / (losses) on investments					
Unrealised gains / (losses) on investments	15,17	(134,185)	134,946	761	(285,364)
		5,018	-	5,018	(1,814)
Net income / (expenditure)	22	(129,167)	134,946	5,779	(287,178)
Transfers between funds	22,23,24	110,387	(110,387)	-	-
Net movement in funds for the year		(18,780)	24,559	5,779	(287,178)
Reconciliation of funds:					
Total funds brought forward	22,23,24	996,077	2,017,914	3,013,991	3,301,169
Net movement in funds for the year		(18,780)	24,559	5,779	(287,178)
Total funds carried forward	22,23,24	977,297	2,042,473	3,019,770	3,013,991

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 2017

	Note	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Fixed assets					
Tangible Fixed assets	14	104,724	-	104,724	132,647
Investments	15	31,891	-	31,891	28,460
Current Assets					
Stock		5,813	-	5,813	5,147
Debtors	16	45,578	-	45,578	104,288
Investments	17	14,825	-	14,825	13,238
Cash at bank and in hand	18	2,162,220	3,190,113	5,352,333	5,372,856
		<u>2,228,436</u>	<u>3,190,113</u>	<u>5,418,549</u>	<u>5,495,529</u>
Creditors: amounts falling due within one year	19	<u>(1,078,730)</u>	<u>(1,126,094)</u>	<u>(2,204,824)</u>	<u>(2,383,440)</u>
Net Current Assets		1,149,706	2,064,019	3,213,725	3,112,089
Creditors: amounts falling due after more than one year	20	<u>(273,774)</u>	<u>(21,546)</u>	<u>(295,320)</u>	<u>(223,955)</u>
Net Assets		<u>1,012,547</u>	<u>2,042,473</u>	<u>3,055,020</u>	<u>3,049,241</u>
Accumulated Funds					
Unrestricted Funds:					
Designated general reserve				600,000	600,000
General funds				412,547	431,327
	22,23			<u>1,012,547</u>	<u>1,031,327</u>
Restricted Funds	22,24			<u>2,042,473</u>	<u>2,017,914</u>
	22,25			<u>3,055,020</u>	<u>3,049,241</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

J Bryden

Peter Watson (Chairman)
Dated: 26 September 2017

Jonathan Bryden (Treasurer)
Dated: 26 September 2017

The attached notes form part of these financial statements.

Charity Balance Sheet

As at 31 March 2017

	Note	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
Fixed assets					
Tangible Fixed assets	14	102,978	-	102,978	129,737
Investments	15	31,991	-	31,991	28,560
Current Assets					
Debtors	16	94,842	-	94,842	146,219
Investments	17	14,825	-	14,825	13,238
Cash at bank and in hand	18	2,078,827	3,190,113	5,268,940	5,296,574
		<u>2,188,494</u>	<u>3,190,113</u>	<u>5,378,607</u>	<u>5,456,031</u>
Creditors: amounts falling due within one year	19	(1,072,392)	(1,126,094)	(2,198,486)	(2,376,382)
Net Current Assets		1,116,102	2,064,019	3,180,121	3,079,649
Creditors: amounts falling due after more than one year	20	(273,774)	(21,546)	(295,320)	(223,955)
		<u>(273,774)</u>	<u>(21,546)</u>	<u>(295,320)</u>	<u>(223,955)</u>
Net Assets		<u>977,297</u>	<u>2,042,473</u>	<u>3,019,770</u>	<u>3,013,991</u>
Accumulated Funds					
Unrestricted Funds:					
Designated general reserve				600,000	600,000
General funds				377,297	396,077
	22,23			<u>977,297</u>	<u>996,077</u>
Restricted Funds	22,24			2,042,473	2,017,914
	22			<u>3,019,770</u>	<u>3,013,991</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 (Chairman)
Dated: 26 September 2017

J Bryden

Jonathan Bryden (Treasurer)
Dated: 26 September 2017

The attached notes form part of these financial statements.

Statements of Cash Flows

For the year ended 31 March 2017

	Note	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Cash (used in)/ provided by operating activities		(58,267)	(2,133,570)	(65,370)	(2,111,847)
<u>Cash flows from investing activities:</u>					
Dividends and interest	5	37,744	45,374	37,736	45,364
Purchase of fixed assets	14	-	(129,901)	-	(126,409)
Cash provided by / (used in) investing activities		37,744	(84,527)	37,736	(81,045)
(Decrease) / increase in cash in the year		(20,523)	(2,218,097)	(27,634)	(2,192,892)
Cash at the beginning of year	18	5,372,856	7,590,953	5,296,574	7,489,466
(Decrease) / increase in cash in the year		(20,523)	(2,218,097)	(27,634)	(2,192,892)
Cash at the end of the year	18	5,352,333	5,372,856	5,268,940	5,296,574
<u>Reconciliation to Statement of Financial Activities</u>					
Net income / (expenditure) for the year as per the Statement of Financial Activities		5,779	(287,178)	5,779	(287,178)
<u>Adjustments for:</u>					
Depreciation	14	27,923	38,693	26,759	38,111
(Gains)/ losses on investments	15,17	(5,018)	1,814	(5,018)	1,814
Dividends and interest	5	(37,744)	(45,374)	(37,736)	(45,364)
Gift of current asset investment	17	-	(13,238)	-	(13,238)
(Increase) / decrease in stock		(666)	(1,655)	-	-
Decrease / (increase) in debtors		58,710	38,855	51,377	55,685
(Decrease) / increase in creditors		(107,251)	(1,865,487)	(106,531)	(1,861,677)
Cash (used in)/ provided by operating activities		(58,267)	(2,133,570)	(65,370)	(2,111,847)

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 2nd Floor, PSP House, 50 High Craighall Road, Glasgow G4 9UD.

2. Accounting policies

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 notes(s).

The financial statements have been prepared on a going concern basis as the Board consider that the Charity has sufficient reserves and detailed management accounts are prepared and scrutinised on a regular basis.

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

(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.

Notes to the Consolidated Financial Statements

2. Accounting policies (cont'd)

(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.

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.

(d) 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 one principal activity, the retailing of goods.

(e) 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.

Support costs have been allocated between expenditure categories based on the use of resources. 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.

Notes to the Consolidated Financial Statements

2. Accounting policies (cont'd)

(f) 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.

(g) 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.

Current asset investments are shares which have been gifted to the Charity which are intended to be sold in the near future, and are included in the financial statements at market value.

(h) 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

(i) 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.

Notes to the Consolidated Financial Statements

2. Accounting policies (cont'd)

(j) 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.

(k) Debtors

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

(l) 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.

(m) Creditors

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.

(n) 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.

(o) Leases

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

(p) Commitments

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

Notes to the Consolidated Financial Statements

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

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Donations from Individuals	1,053,785	758,315	1,812,100	2,339,501
Donations from corporate partners	288,050	258,163	546,213	675,910
Donations from Trusts & Foundations	31,900	687,423	719,323	549,232
Legacies	131,665	37,535	169,200	267,724
Total income from donations and legacies	1,505,400	1,741,436	3,246,836	3,832,367

4. Income from other trading activities

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Group				
Trading	143,557	-	143,557	144,542
Charity challenges	87,019	258,437	345,456	122,331
Charity events	64,189	317,748	381,937	384,556
Course registration fees	29,893	16,830	46,723	21,397
Total income from other trading activities	324,658	593,015	917,673	672,826

Incoming resources from Trading are stated net of Value Added Tax and represent the value of sales made in the course of Glasgow Children's Hospital Trading Limited's principal activity, which is retailing of goods.

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Charity				
Gift aided payment from Glasgow Children's Hospital Trading Limited	50,004	-	50,004	41,757
Charity challenges	87,019	258,437	345,456	122,331
In house events	64,189	317,748	381,937	384,556
Course registration fees	29,893	16,830	46,723	21,397
Total income from other trading activities	231,105	593,015	824,120	570,041

Notes to the Consolidated Financial Statements

5. Investment income

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Group				
Interest received from bank deposits	21,433	15,096	36,529	44,466
Dividend income	1,215	-	1,215	908
	<u>22,648</u>	<u>15,096</u>	<u>37,744</u>	<u>45,374</u>
Total investment income	22,648	15,096	37,744	45,374
Charity				
Interest received from bank deposits	21,425	15,096	36,521	44,457
Dividend income	1,215	-	1,215	908
	<u>22,640</u>	<u>15,096</u>	<u>37,736</u>	<u>45,365</u>
Total investment income	22,640	15,096	37,736	45,365

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:

- PSP Publishing who donated several goods valued at £10,525 in support of various events throughout the year (2016: £9,700);
- Weber Shandwick who donated £9,000 of PR Services (2016: £9,000).

Notes to the Consolidated Financial Statements

7. Allocation of expenditure

	Basis	Donations & legacies £	Other trading activities £	Charitable Activities £	2017 Total £	2016 Total £
Group						
Grants payable	1			2,573,760	2,573,760	3,165,070
Staff cost – prog. delivery	2			111,317	111,317	69,389
Staff costs (excl prog. delivery)	2	593,194	80,540	113,930	787,664	738,562
Community initiatives	1	89,976			89,976	113,179
Corporate partners	1	28,804			28,804	32,709
Events & challenges	1		151,489		151,489	151,062
Trading	1		80,039		80,039	90,628
Individual Giving	1	18,029			18,029	59,609
Legacies & Trusts	1	12,259			12,259	6,767
Marketing & Communications	1	108,642			108,642	135,531
Transaction charges	1	54,281			54,281	58,487
Staff related costs	1	20,394		3,297	23,691	19,186
Office related costs	1	118,892		22,538	141,430	158,108
Volunteer costs	1	2,877			2,877	2,955
Developing Strategy	1	720			720	-
Rename costs	1	-			-	17,500
Audit & other professional fees	1	15,084	1,430		16,514	17,189
		1,063,152	313,498	2,824,842	4,201,492	4,835,931
Charity						
Grants payable	1			2,573,760	2,573,760	3,165,070
Staff cost – prog. delivery	2			111,317	111,317	69,389
Staff costs (excl prog. delivery)	2	593,194	68,448	113,930	775,572	727,796
Community initiatives	1	89,976			89,976	113,179
Corporate partners	1	28,804			28,804	32,709
Events & challenges	1		151,489		151,489	151,062
Individual Giving	1	18,029			18,029	59,609
Legacies & Trusts	1	12,259			12,259	6,767
Marketing & Communications	1	108,642			108,642	135,531
Transaction charges	1	54,281			54,281	58,487
Staff related costs	1	20,394		3,297	23,691	19,186
Office related costs	1	118,892		22,538	141,430	158,108
Volunteer costs	1	2,877			2,877	2,955
Developing Strategy	1	720			720	-
Rename costs	1	-			-	17,500
Audit & other professional fees	1	15,084			15,084	15,789
		1,063,152	219,937	2,824,842	4,107,931	4,733,137

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

Notes to the Consolidated Financial Statements

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 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Staff costs	35,690	33,527	35,690	33,527
Audit fees	7,660	7,460	6,230	6,060
Strategy development	720	-	720	-
Trustee meetings	1,673	264	1,673	264
Total governance costs	45,743	41,251	44,313	39,851

8. Charitable activities – Group and Charity

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Medical Equipment	3,162	402,087	405,249	674,853
Research, Education & Training	471,673	382,985	854,658	372,846
Play & Entertainment for Children	233,583	511,024	744,607	732,148
Patient and Family Support Services	32,147	181,011	213,158	575,761
Patient and Family Support Services – recovery of over-provisions in prior years	(140,513)	-	(140,513)	-
Patient and Family Support Services – Poverty Related	8,279	258,143	266,422	269,007
Enhancements to Hospital Environment	46,709	169,122	215,831	401,925
Other Projects	6,980	104,501	111,481	200,746
	<u>662,020</u>	<u>2,008,873</u>	<u>2,670,893</u>	<u>3,227,286</u>
Grants to affiliated bodies	-	14,184	14,184	7,173
Total grants awarded (Note 9)	662,020	2,023,057	2,685,077	3,234,459
Support costs allocated	139,765	-	139,765	127,198
Charitable expenditure	801,785	2,023,057	2,824,842	3,361,657

Notes to the Consolidated Financial Statements

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 24.

(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 £	2017 Total £
<u>Medical equipment</u>			
Neurosurgical endoscope	-	200,000	200,000
Neurosurgical microscope	-	65,000	65,000
Endoscope (IBD)	-	31,497	31,497
Colonoscope (IBD)	-	35,316	35,316
Medical Equipment < £25,000	3,162	70,274	73,436
<u>Research, education & training</u>			
Project Support Grants	119,523	-	119,523
Research Administration	55,140	-	55,140
Office for Rare Conditions	-	75,000	75,000
Small Research Grants	89,471	529	90,000
St Andrew's Society PhD Studentship	60,000	-	60,000
Clinical Research Fellowships	123,902	60,400	184,302
Schiehallion Appeal (Clinical Trials)	-	100,000	100,000
Shine a Light Eyecare project	-	55,544	55,544
Training Courses & Conferences < £25,000	23,637	91,512	115,149

Notes to the Consolidated Financial Statements

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 £	2017 Total £
<u>Play & Entertainment for Children</u>			
Structured Play Service	30,674	302,205	332,879
Internal Hospital Events	87,852	29,728	117,580
Hospital Volunteer Service	65,145	6,784	71,929
MediCinema Running Costs	-	40,284	40,284
Clown Doctors service	41,817	10,000	51,817
Items < £25,000	8,095	122,023	130,118
<u>Patient & Family Support Services</u>			
Spina Bifida– recovery of over-provision in prior years	(25,000)	-	(25,000)
Bereavement Service – partial recovery of prior year amount due to changed scope of service	(53,028)	-	(53,028)
Transplant Games attendance for patients	25,000	-	25,000
All Active Kids App development	-	76,196	76,196
Pull Down Beds – recovery of over-provision in prior years	(62,485)	-	(62,485)
Mind Exercise Nutrition Do it! (MEND) programme	-	35,000	35,000
Social Worker provision - oncology	-	42,768	42,768
Items < £25,000	7,147	27,047	34,194
<u>Patient & Family Support Services - Poverty</u>			
Financial Inclusion Service	-	97,971	97,971
Family Needs Assessment & Support Service	-	129,748	129,748
Items < £25,000	8,279	30,424	38,703
<u>Environmental & artistic enhancements within RHC:</u>			
Hospital Environmental Enhancements – theatres	-	35,000	35,000
Hospital Environmental Enhancements – PICU	-	35,000	35,000
Hospital Environmental Enhancements – imaging & diagnostics	-	35,000	35,000
Items < £25,000	46,709	64,122	110,831
Other Projects	6,980	104,501	111,481
Grants to Affiliated Bodies	-	14,184	14,184
	<u>662,020</u>	<u>2,023,057</u>	<u>2,685,077</u>

Notes to the Consolidated Financial Statements

10. Net (expenditure) / income for the year

Is stated after charging:

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Audit fees	7,660	7,460	6,230	6,060
Tax advisory service fees	894	2,880	894	2,880
	<u>7,660</u>	<u>7,460</u>	<u>6,230</u>	<u>6,060</u>

11. Analysis of staff and key management personnel costs

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
<u>Programme delivery staff:</u>				
Salaries	98,717	60,557	98,717	60,557
Employer's NI	7,483	5,103	7,483	5,103
Pension costs	5,117	3,729	5,117	3,729
	<u>111,317</u>	<u>69,389</u>	<u>111,317</u>	<u>69,389</u>
<u>Other charitable activities:</u>				
Salaries	92,770	87,613	92,770	87,613
Employer's NI	9,680	9,236	9,680	9,236
Pension costs	11,480	4,307	11,480	4,307
	<u>113,930</u>	<u>101,156</u>	<u>113,930</u>	<u>101,156</u>
<u>Other trading activities:</u>				
Salaries	69,778	46,277	59,600	37,125
Employer's NI	7,158	4,144	5,753	3,067
Pension costs	3,604	2,015	3,095	1,478
	<u>80,540</u>	<u>52,436</u>	<u>68,448</u>	<u>41,670</u>
<u>Donations & legacies:</u>				
Salaries	503,729	508,129	503,729	508,129
Employer's NI	45,009	46,353	45,009	46,353
Pension costs	44,456	30,488	44,456	30,488
	<u>593,194</u>	<u>584,970</u>	<u>593,194</u>	<u>584,970</u>
Total staff costs	<u>898,981</u>	<u>807,951</u>	<u>886,889</u>	<u>797,185</u>

Notes to the Consolidated Financial Statements

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, and the Chief Executive. The Trustees received no remuneration in the period, nor re-imbursment of expenses (2016: £Nil). The total employee benefits (inclusive of pension costs and excluding employer's National Insurance costs) of the Chief Executive were £74,970 (2016: £73,500).

The average number of employees in the year was 30 (2016: 28).

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

	2017	2016
£60,001 - £70,000	-	1
£70,001 - £80,000	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 £10,318 (2016: £3,261) 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

13. Prior Year Statement of Financial Activities

	Group Unrestricted funds £	Group Restricted funds £	Group 2016 Total £	Charity Unrestricted funds £	Charity Restricted funds £	Charity 2016 Total £
Income from:						
Donations and legacies	1,818,498	2,013,869	3,832,367	1,818,498	2,013,869	3,832,367
Other trading activities	241,039	431,787	672,826	138,254	431,787	570,041
Investment income	29,438	15,936	45,374	29,429	15,936	45,365
Total income	2,088,975	2,461,592	4,550,567	1,986,181	2,461,592	4,447,773
Expenditure on:						
Raising funds:						
Donations and legacies	1,029,401	149,347	1,178,748	1,029,401	149,347	1,178,748
Other trading activities	191,389	104,137	295,526	88,595	104,137	192,732
Charitable activities	1,589,834	1,771,823	3,361,657	1,589,834	1,771,823	3,361,657
Total expenditure	2,810,624	2,025,307	4,835,931	2,707,830	2,025,307	4,733,137
Net movements in funds before unrealised (losses) / gains on investments	(721,649)	436,285	(285,364)	(721,649)	436,285	(285,364)
Unrealised (losses) / gains on investments	(1,814)	-	(1,814)	(1,814)	-	(1,814)
Net (expenditure) / income	(723,463)	436,285	(287,178)	(723,463)	436,285	(287,178)
Transfers between funds	788,839	(788,839)	-	788,839	(788,839)	-
Net movement in funds	65,376	(352,554)	(287,178)	65,376	(352,554)	(287,178)
Reconciliation of funds:						
Total funds brought forward	965,951	2,370,468	3,336,419	930,701	2,370,468	3,301,169
Net movement in funds	65,376	(352,554)	(287,178)	65,376	(352,554)	(287,178)
Total funds carried forward	1,031,327	2,017,914	3,049,241	996,077	2,017,914	3,013,991

Notes to the Consolidated Financial Statements

14. 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	49,219	208,436	155,725	49,219	204,944
Additions	-	-	-	-	-	-
At end of the year	159,217	49,219	208,436	155,725	49,219	204,944
Depreciation:						
At beginning of the year	27,424	48,365	75,789	26,842	48,365	75,207
Charge for the period	27,069	854	27,923	25,905	854	26,759
At end of the year	54,493	49,219	103,712	52,747	49,219	101,966
Net book value:						
At beginning of the year	131,793	854	132,647	128,883	854	129,737
At end of the year	104,724	-	104,724	102,978	-	102,978

15. Fixed asset investments

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
100 ordinary shares in Glasgow Children's Hospital Trading Limited, a trading subsidiary	-	-	100	100
Shares in UK stock exchange companies	31,891	28,460	31,891	28,460
Total fixed asset investments	31,891	28,460	31,991	28,560

Glasgow Children's Hospital Trading Limited's profit for the year ended 31 March 2017 was £Nil (2016: £Nil) after transferring £50,004 (2016 : £41,757) 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 2017, its capital and reserves totalled £35,350 (2016: £35,350).

Notes to the Consolidated Financial Statements

15. Fixed asset investments (cont'd)

Shares held in UK Stock Exchange Companies – Group & Charity

	2017 £	2016 £
Market value at beginning of the year	28,460	30,274
(Loss) / gain on revaluation	3,431	(1,814)
Market Value at the end of the year	31,891	28,460
Cost at end of the year	19,351	19,351

These shareholdings arose from a legacy received in 2010 and may be sold at some future date.

16. Debtors

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Amount due from Glasgow Children's Hospital Trading Limited	-	-	50,004	41,931
Prepayments	20,356	19,351	19,616	19,351
Accrued Income	25,222	84,937	25,222	84,937
Total debtors	45,578	104,288	94,842	146,219

No legacies have been accrued into income in 2017 (2016: three legacies of £66,000).

17. Current asset investments

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Shares in UK stock exchange companies	14,825	13,238	14,825	13,238

The Charity received a gift of shares during 2016 which are intended to be sold in the near future.

Notes to the Consolidated Financial Statements

18. Cash at bank and in hand

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Unrestricted funds	2,162,220	2,563,555	2,078,827	2,487,273
Restricted funds	3,190,113	2,809,301	3,190,113	2,809,301
Total cash at bank and in hand	5,352,333	5,372,856	5,268,940	5,296,574

19. Creditors: amounts falling due within one year

	Group 2017 £	Group 2016 £	Charity 2017 £	Charity 2016 £
Grants payable	1,920,243	2,076,292	1,920,243	2,076,292
Other creditors & accruals	261,511	287,729	258,218	282,598
Other taxation and social security	23,070	19,419	20,025	17,492
Total creditors falling due within one year	2,204,824	2,383,440	2,198,486	2,376,382

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

Grants payable	295,320	223,955	295,320	223,955
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21. Commitments

At 31 March 2017, the Charity had total future commitments under non-cancellable operating leases as follows:

	Property		Equipment	
	2017 £	2016 £	2017 £	2016 £
Group				
Within one year	19,450	38,900	3,581	1,059
Within two to five years	-	-	3,064	2,121
Total	19,450	38,900	6,645	3,180

Notes to the Consolidated Financial Statements

21. Commitments (cont'd)

	Property		Equipment	
	2017	2016	2017	2016
	£	£	£	£
Charity				
Within one year	19,450	38,900	1,793	1,059
Within two to five years	-	-	2,527	2,121
Total	19,450	38,900	4,320	3,180

22. Funds

	Unrestricted	Restricted	Total
	£	£	£
Fund balances brought forward - Charity	996,077	2,017,914	3,013,991
Net movement in funds for period	(129,167)	134,946	5,779
Transfers between funds	110,387	(110,387)	-
Fund balances carried forward - Charity	977,297	2,042,473	3,019,770
Glasgow Children's Hospital Trading Ltd reserves - 31 March	35,250	-	35,250
Fund balances carried forward - Group	1,012,547	2,042,473	3,055,020

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 23.

Restricted purposes

Donations for specific funds and projects as detailed in Note 24.

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

23. 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	396,077	1,709,141	(1,843,326)	110,387	5,018	377,297
Unrestricted funds - Charity	996,077	1,709,141	(1,843,326)	110,387	5,018	977,297
Trading company reserves	35,250	143,565	(143,565)	-	-	35,250
Unrestricted funds - Group	1,031,327	1,852,706	(1,986,891)	110,387	5,018	1,012,547

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.

24. 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	2,017,864	2,335,251	(2,200,255)	(110,387)	2,042,473
(b) Restricted Funds held by NHS Greater Glasgow & Clyde	50	14,296	(14,346)	-	-
Total	2,017,914	2,349,547	(2,214,601)	(110,387)	2,042,473

(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

24. 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	-	-	(76,196)	-	76,196	-
Cardiology Fund	34,305	51,779	(58,415)	38,734	-	66,403
Cardiology Ward Fund (1E)	69,861	9,349	(4,575)	-	-	74,635
Cardiology Investigation Unit	37,706	340	-	-	-	38,046
4D Cardiac Scanner Appeal	-	35,034	(8)	(35,026)	-	-
Children with Diabetes Fund	77,450	30,192	(7,073)	-	-	100,569
CAL Fund	24,651	8,699	(1,686)	(550)	(350)	30,764
DNM Fund	-	34,319	(1,273)	-	-	33,046
ECMO Fund	15,816	11,725	(630)	-	-	26,911
Endoscope (Gastroenterology)	300	78,663	(87,675)	-	8,712	-
Endoscope (Neurology)	-	455,208	(275,097)	(3,708)	(176,403)	-
Fetal Medicine Fund	51,358	6,506	(4,748)	-	-	53,116
Financial Inclusion Service	-	64,628	(98,295)	-	33,667	-
Intensive Care Unit Fund	194,338	14,603	(20,147)	-	-	188,794
IBD Fund	107,290	84,058	(62,666)	-	-	128,682
MediCinema Fund	23,689	63,129	(50,550)	-	-	36,268
Surgical Microscope Appeal	-	199,749	(85,405)	-	(114,344)	-
MEND Fund	-	35,170	(35,170)	-	-	-
Neonatal Fund	38,004	11,586	(27,580)	-	-	22,010
NICU Fund	195,399	29,332	(30,552)	-	-	194,179
Neurosciences Unit Fund	15,990	1,250	(2,441)	12,616	-	27,415
Neurosciences Research Fund	43,745	66,800	(64,496)	(12,616)	-	33,433
Caledonia Enhancements Fund	26,962	-	(26,962)	-	-	-
Office for Rare Conditions	5,731	178,037	(98,289)	1,650	(4,550)	82,579
Play in Hospital programme	3,487	135,050	(125,935)	(12,602)	-	-
Playroom / Waiting Areas	51,688	-	(30,541)	17,235	-	38,382
Renal Unit Fund	69,641	8,384	(37,836)	(18,556)	-	21,633
Respiratory Fund	31,301	5,489	(18,058)	-	-	18,732
Schiehallion Appeal	-	27,608	(111,225)	-	83,617	-
Schiehallion Unit Fund	308,896	147,164	(292,795)	18,556	-	181,821
Sensory Room Fund	2,400	40,551	(4,372)	-	(36,000)	2,579
STV Children's Appeal Fund	5,917	68,877	(136,665)	1,000	60,871	-
Vein of Galen Fund	99,734	1,993	(70)	-	-	101,657
Vitamin D Research Project	-	42,000	-	-	-	42,000
Wilson Family Bequest - Capital	159,550	-	-	-	-	159,550
Wilson Family Bequest-Interest	7,880	1,509	-	-	-	9,389
Other funds (under £25,000)	314,775	386,470	(322,829)	(6,733)	(41,803)	329,880
Total	2,017,864	2,335,251	(2,200,255)	-	(110,387)	2,042,473

Notes to the Consolidated Financial Statements

24. 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.

25. Analysis of consolidated net assets between funds

	Fixed assets	Current assets less creditors	31 March 2017 Total £
	£	£	£
Restricted funds	-	2,042,473	2,042,473
Unrestricted funds	136,615	875,932	1,012,547
Total	136,615	2,918,405	3,055,020

26. Indemnity Insurance

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