

NOAH'S ARK – THE CHILDREN'S HOSPICE
(A company limited by guarantee)

GROUP ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

Company Registration Number 03901606
Charity Number: 1081156

NOAH'S ARK – THE CHILDREN'S HOSPICE
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 DECEMBER 2014

Directors	Mr Michael A McInerney – Chairman Mrs Mary O'Toole Mrs Jennifer Israel Mr Jeremy Isaacs CBE Mr Ronel Lehmann – resigned 3.11.14 Dr Lara Shaffer Mr Patrick Hollwey – resigned 14.7.14 Mr James Keeley – appointed 10.11.14 Mr Adam Leigh – appointed 10.11.14
Secretary	Mr Mark Watkins – appointed 15.7.14 Mr Edward Gladdish – resigned 15.7.14
Chief Executive Officer	Mr Mark Watkins, known as Ru Watkins
Company Number	03901606
Charity Number	1081156
Registered Office	3 Beauchamp Court, 10 Victors Way, Barnet, Hertfordshire, EN5 5TZ
Web address	www.noahsarkhospice.org.uk
Auditors	haysmacintyre, 26 Red Lion Square, London, WC1R 4AG
Bankers	HSBC, 171 Darkes Lane, Potters Bar, Hertfordshire, EN6 1BU
Solicitor	Charity: Joelson Wilson LLP, 30, Portland Place, London, W1B 1LZ Hospice Build: Macfarlanes LLP, 20, Cursitor Street, London, EC4A 1LT

NOAH'S ARK – THE CHILDREN'S HOSPICE

REPORT OF THE BOARD

FOR THE YEAR ENDED 31 DECEMBER 2014

The Board is pleased to submit its report and financial statements for the year ended 31 December 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Noah's Ark – The Children's Hospice is registered as a charity with the Charity Commission for England and Wales. It is a charitable company limited by guarantee with no share capital and is governed by its Memorandum and Articles of Association, which were revised on 15 April 2008. The liability of each member in the event of winding up is limited to a maximum of £10.

In accordance with the governing document, there shall be no fewer than three, nor more than twelve directors at any one time. The directors, who are also the Charity Trustees, are normally elected by the members of the company in a general meeting. The Board may appoint any member of the company as a director either as an additional director or to fill a casual vacancy. Any member so appointed must retire at the next AGM but is eligible for re-election. No director receives remuneration from the Charity.

Each new Trustee receives an induction session with the Chief Executive Officer, where they are provided with the background to the Charity and its work and receive guidance on their role as a Director and Trustee of the Charity, in accordance with Charity Commission guidelines. During their period as a Trustee, they are also attend update courses.

There are up to six full Board Meetings per year, supported by Sub-Committees, each chaired by a Trustee.

Risk management

The Trustees review risk on a continuing basis against a risk matrix. This involves identifying the types of risks the Charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of the process, Trustees review the adequacy of the internal controls and risk management process to assess business risk and implement risk management strategies.

SENIOR MANAGEMENT AND OPERATIONS

Noah's Ark has seen fundamental change during the year ended 31st December, 2014. In July 2014 a new CEO, Ru Watkins, was appointed, following the resignation of Ted Gladdish. Following that departure, strengthening of the Senior Management Team commenced in April 2014 with the appointment of a Director of Income Generation, and subsequently, in April 2015, a Director of Care has been appointed.

The new CEO undertook a full review of the Charity and all its operations. This resulted in a restructure to increase care delivery. The Charity now comprises four major departments of Care; Income Generation; Finance and Resourcing and People Development. These are all supported by a Programme and Project Management team, which includes MarComms.

Since August 2014 the Charity has sought to reduce expenditure wherever possible without compromising care delivery. KPI's have been created throughout the Charity to ensure governance, assurance and management information outputs are delivered and evaluated. This review combined with strict financial management and governance and assurance has seen the Charity end the year with a free reserve of £152,997. This reflects a significant improvement on previous years.

Following changes to the Trustee Board, all Trustees are now actively engaged with the Charity on a regular basis, offering skills and expertise in their respective areas. Furthermore, all Board Subcommittees now reflect the new structure of the Charity: with each one owned and led by a Trustee, thus strengthening Governance & Assurance.

NOAH'S ARK – THE CHILDREN'S HOSPICE

REPORT OF THE BOARD (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

There are 1,086¹ or more children and young people who may require palliative support in the community of North London (the boroughs of Barnet, Camden, Enfield, Haringey and Islington). To meet the needs of this growing population we will develop effective partnerships enabling us to expand our strong community base and broaden our service provision to include a residential hospice.

Our work is always informed by statutory and sector guidance and regulated by the Care Quality Commission.

Noah's Ark is a member of:

- Together for Short Lives (TfSL).
- Children's Hospices across London (CHaL).
- Hospice UK

This report demonstrates how public benefit was delivered through Noah's Ark's charitable aims in 2014. In working to deliver these objectives, the Board of the Charity is cognisant of the need to comply with public benefit requirements. To this end we have paid due regard to the published guidance from the Charity Commission on the operation of the Public Benefit requirement under the Charities Act 2011.

CARE TEAM

Achievements 2014

Family Link

The Family Link Team, comprising three social work professionals, offers practical and emotional support and advice to all families. Furthermore, the team offers advice, support or advocacy around issues such as housing, benefits and schools, for those families who find it difficult to access this support elsewhere. They also offer bereavement support following the death of a child. The Family Link Manager is the designated Safeguarding Professional for the Charity, and the team provides safeguarding training for all staff and our Family Support Volunteers. Key successes:

- 45 new families were referred to Noah's Ark in 2014 (2013-39).
- Each new family received a home visit and holistic assessment within 4 weeks of referral (unless delay requested by family).
- All families received an integrated service annual review (as a minimum) to ensure timely service response to changing family need.
- A Bereavement Pathway was introduced to ensure that all families receive equitable access to post bereavement support.
- An average of 47 families per month received support from a Family Link Worker.
- The team members attended 42 multi-professional meetings throughout the year, and undertook a monthly average of 39 inter-professional interactions; whilst these focused upon working with other professionals around the needs of the child, they also strengthened and expanded professional networks.
- A Noah's Ark 'Information for Referrers' leaflet was developed to raise awareness and stimulate referrals.
- A regular programme of staff supervision, providing structured opportunities for reflection upon practice, has been established and evaluated.

¹ *(Lorna K Fraser, Michael Miller, Jan Aldridge, Patricia A McKinney & Roger C Parslow in collaboration with Richard Hain *Life-limiting and life-threatening conditions in children and young people in the United Kingdom; national and regional prevalence in relation to socioeconomic status and ethnicity Final Report for Together for Short Lives – Oct 2011*)

NOAH'S ARK – THE CHILDREN'S HOSPICE

REPORT OF THE BOARD (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

CARE TEAM (continued)

Specialist Play

Specialist Play provides structured support with an emotional and social focus for children and siblings who are undergoing stressful procedures, and children with worries about their condition. The Specialist Play Workers also provide play advice to parents to support child development.

- The team supported 16 families in 2014.
- The Specialist Play team facilitated training and support to Family Support Volunteers and the Specialist Care Team. This enabled individual goals and targets to be met in a shorter time frame, allowing more children and young people to gain access and benefit from the service.
- Specialist Play created a Noah's Ark Summer Challenge Project which includes instructions for Specialist Carers and Family Support Volunteers on how to implement activities. The aim of the project is to aid the children's and young people's development, and have fun.
- Specialist Play have been working closely with Stanmore College, who run a Play Specialist course, to ensure community services are discussed as part of the curriculum.
- During 2014 the Play Specialist was on Maternity leave. A Play Worker was recruited from 1.6.14

Specialist Care

The team comprises four Specialist Carers, managed by a Paediatric Nurse who oversees their development of competences to ensure quality care provision for children with complex needs.

- 49 families received Specialist Care in 2014.
- These families received a total of 4,425 hours of care across the year (2013 – 3,291 hours).
- The Specialist Care service presented at the University of Hertfordshire's Health Care Conference in 2014.
- Our partnerships with the University of Hertfordshire and South Bank University continued, enabling us to become a recognised placement for Student Nurses. Noah's Ark offered 8 placements in 2014.
- Noah's Ark is facilitating International Student Placements, working with Universities in Sweden and Italy. This has resulted in 4 Student Nurses from Sweden completing a placement in April 2015. Noah's Ark received outstanding feedback from both students and Universities for this scheme.
- The Specialist Care Team further developed their clinical skills set by training with Great Ormond Street Hospital.
- The Nurse Team Leader completed a Foundation course in Paediatric Palliative Care with Great Ormond Street Hospital in February 2015.
- A partnership with Shooting Star Chase Children's Hospice has facilitated access to additional training for Noah's Ark staff.

Family Support Volunteers

As part of the wider Volunteer Programme, Home Support Volunteers offer a range of practical assistance for families, including sibling support, help for parents with paperwork, hairdressing and gardening tasks. In 2014:

- 28 new referrals were made to the service.
- 26 families were introduced to a volunteer to begin regular and ongoing support visits.
- Our Volunteer Co-Ordinator is working with the Council of Voluntary Services in Scotland, offering support and guidance for their pilot scheme with Children's Hospices across Scotland.
- We have also been working with Acorns Children's Hospice and East Anglia's Children's Hospices to advise on the development of their volunteer services.

Family Activities

All families receive invitations to Family Days, Parent groups and Sibling groups events which provide opportunities to meet other families and children in similar situations. All activities are accessible, and transport is provided if the family needs it. During 2014:

NOAH'S ARK – THE CHILDREN'S HOSPICE

REPORT OF THE BOARD (Continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

CARE TEAM (continued)

- 43 events were provided across the year with 1,144 attendances.
- Growth was evidenced through 17 new families attending Family Days, 3 new parents accessing Parent Groups and 12 new siblings attending Sibling Support Activities.
- 350 children received birthday presents from Noah's Ark. These presents are funded by donors, and chosen, wrapped and delivered to the children by Family Support Volunteers.
- Partnerships with organisation including Artsdepot, Spread a Smile, Rainbow Trust and Rays of Sunshine continue to build, offering opportunities for families to access a wide range of activities.

Care Plans for 2015

In April 2015 a Director of Care was appointed to drive strategic growth of the care team and its activities through:

- Establishing an evidence base for service development
- Creating effective networks to facilitate:
 - Analysis of service provision and service need.
 - Partnership working across health and social care.
 - Funding opportunities with commissioning partners.

The **Specialist Care Team** will provide effective and well-evaluated care to more children and young people through:

- Targeted service delivery.
- Recruitment of additional specialist carers.
- Broadening the range of children's palliative care services available to children and young people.
- Development of children, young people and family feedback mechanisms.

The **Family Link Team** will continue to provide holistic support for children, young people and their families, maintaining regular contact to ensure changing needs are addressed:

- Building on professional networks in order to increase referral rates.
- Highlighting families with lower levels of engagement to establish their needs and inform service development.
- Developing monthly Bereaved Parent Groups.
- Developing functional outcomes measurement tools for the Family Link service.

The **Family Activities team** has established outcomes for Family Days and the Siblings Support Programme which will provide the focus for plans for 2015: the reduction of isolation; building of communities; creating accessible activity based breaks; ensuring inclusivity; facilitating peer support; building confidence and enabling independence. We will also be piloting groups for referred children and identifying new partnerships to facilitate quality family activities.

The **Home Volunteer Service** will continue to develop and grow with the emphasis on high quality bespoke matches being made between family and volunteers. Key activities for 2015 are:

- Developing new tools for monitoring and evaluating outcomes.
- Promoting the service to new and existing families through closer working with families and volunteers.

FUNDRAISING

Achievements 2014

Following the appointment of a Director of Income Generation in April 2014, the Fundraising Team was expanded in July 2014.

The Charity's guiding principal for 2014 was to offer supporters an excellent donor experience thus establishing a reputation for exemplary donor care to complement the Charity's already well established, excellent care service delivery. This was achieved by the instigation of several new initiatives:

NOAH'S ARK – THE CHILDREN'S HOSPICE

REPORT OF THE BOARD (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

FUNDRAISING (continued)

- Monthly E-news was established to complement the biannual Aboard the Ark Newsletter to keep donors and supporters informed, engaged and involved.
- Work on developing a more dynamic and engaging website has begun.
- Two new Noah's Ark events were established to complement our already well established and successful Easter Eggstravaganza: a summer Rainbow Run and a Winter Precious Moments Concert. All events attracted a high footfall and engaged new supporters across our catchment area.
- Through integrated campaigns and mailings and also through increased activity amongst community groups across North London, the Charity saw an increase in unrestricted income, particularly from individuals,
- Trusts and Companies were encouraged to consider multiyear funding to enable more stable service delivery planning.
- 2014 saw Noah's Ark work in partnership with CHaL (Children's Hospices across London) to win the Blackrock charity of the Year; and to work with our umbrella organisation TfSL (Together for Short Lives) on National campaigns and Fundraising initiatives.

Noah's Ark increased revenue income during 2014. The Fundraising team continued its efforts to ensure a favourable return on investments for all activities, achieving a Fundraising cost ratio of 1:3.8. (2013 – 1:3.1)

Capital Appeal (Big Splash)

Much of 2014 was spent preparing the groundwork for donor approaches and culminated in a Reception in December hosted by Mrs Samantha Cameron at No10 Downing Street. The event attracted a number of prospective donors and secured significant funds and pledges – taking our Appeal total to £2,856,640 (26% of the £10.9m target) as at 31.12.14. Subsequent to the year-end further donations and pledges have been made raising the Appeal total to £4,311,640 (39% of the £10.9m target) as at the report date.

Retail

During 2014 all 3 shops traded for the full year and the Charity saw further development of its retail arm. 2014 saw the commencement of On-line trading through eBay. At the end of 2014 the retail arm was restructured and the supply chain tightened up. The year ended with retail reporting a net Profit of £1,526 (2013 – Loss £31,395). Expansion during 2015 will concentrate on On-line sales.

Income Analysis

	<u>2014</u>	<u>2013</u>
Donations Received in Year	1,405,428	1,064,649
Gross Retail Income	220,312	136,166
Big Splash Capital Appeal	678,810	1,175,006
Investment Income Received	<u>7,615</u>	<u>2,367</u>
TOTAL INCOMING RESOURCES	<u>£2,312,165</u>	<u>£2,378,188</u>

Fundraising Plans for 2015

To ensure Noah's Ark is the charity of choice for Individuals, Companies, Trusts, Community Groups and challenge eventers in North London, we aim:

- To improve the fundraising cost ratio by:
 - Growing unrestricted income.
 - Fundraising effectively across North London.
 - Attracting Corporate sponsorship for Events and Fundraising Activities.
 - Maximising the use of volunteers to fundraise and support the Fundraising team.
- To develop regular and reliable income sources by:

NOAH'S ARK – THE CHILDREN'S HOSPICE

REPORT OF THE BOARD (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

FUNDRAISING (continued)

- Operating a lottery scheme through Your Hospice Lottery.
- Growing Regular Giving by 50%.
- Developing a Major Donor Scheme: Friends of Noah's Ark.

- To increase the supporter base by:
 - Delivering exemplary donor care including regular communications via e-news and "Aboard the Ark" newsletter.
 - Developing TEAM Noah for all challenge events.
 - Establishing 4 Annual Noah's Ark Events.
 - Establishing a fully operational Noah's Ark Development Group.

- To raise £5m Capital funds to enable the Hospice building to commence by:
 - Integrating the Capital Appeal (Big Splash) into Fundraising.
 - Working alongside the Appeal Chair and lay leaders to achieve high level gifts.
 - Preparing for the 2016 public fundraising phase.

VOLUNTEERS

Noah's Ark could not exist without the valuable help given to it by all volunteers across Care and Family Support, Fundraising, Administration and Retail. During 2014 our volunteer programme was strengthened creating effective savings in excess of £180,000 (*see below*). The volunteer programme will be further expanded in 2015 to deliver effective savings, currently estimated at £220k.

The Trustees offer their thanks to those volunteers who give up their time to help us in achieving our goals. The volunteers' contribution in monetary terms is as below:

- Total Volunteer hours for 2014 = 19,799 @ £9.15 per hour = £181,160.
 - Total Volunteer hours for 2013 = 17,753 @ £8.80 per hour = £156,226.
- (Based on London living wage, Refce: GLA Economics)

PARTNERSHIP WORKING

During 2014 the Charity has also embarked on a series of partnerships to increase its capacity and enhance delivery.

- Working with Great Ormond Street Hospital (GOSH) and TfSL, Noah's Ark is taking the lead on creating a Transition programme for children and young adults across North and Central London.
- The Charity is working alongside Life Force (Whittington Health NHS) to deliver an innovative volunteer programme across London, under the auspices of the Royal Foundation.
- The Charity is now fully engaged with our community children's palliative care partners and seeking opportunities to work collaboratively.
- The Charity is in discussions with Momentum to explore EU funding to support volunteers from EU countries who will work with the Charity in late 2015.
- In a structured programme of Care placements the Charity is working with Universities of Hertfordshire and The South Bank as well as Gymnasielarare sv/en (Sweden) to create placements for those organisations. This programme is also seen as a future workforce recruitment opportunity.

THE FUTURE

As part of the Charity's development, the appeal to build a Hospice has gained further momentum.

ECentre Build

A full review of costs for the build of the ECentre took place. Contracts were placed in 2014 and work commenced in January 2015. The ECentre is an example of partnership working between Noah's Ark with London Wildlife Trust and Friends of Barnet Countryside Centre. The funding for this build was generously donated by the Hadley Trust, and those funds are held in our restricted funds account.

NOAH'S ARK – THE CHILDREN'S HOSPICE

REPORT OF THE BOARD (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

THE FUTURE (continued)

Hospice Build

The Charity's approach to our Big Splash Capital appeal for the Hospice build has been altered. Partnership working, sponsorship and pro bono work to enable the build has been sought and obtained from William Pears Group, Jones Lang LaSalle and Squire Architects. This 'soft' cost saving has reduced the amount needed by £0.5m for the overall build.

Of the £5m 2015 target, £1.45m has been received in donations and pledges at the report date, leaving £3.55m to be raised during the remainder of 2015. The Charity is looking to start the build of the Hospice in 2016, once sufficient capital finance and support costs have been received or pledged.

Organisational Priorities for 2015 and beyond are:

- Increase the size of the Care team and services to deliver support to the estimated 1086 children that need it in our area. This includes continuing to lead on Transition in North and Central London and taking the lead on the Compassionate Communities programme.
- Continued ramp up of volunteer recruitment in conjunction with Life Force and the Royal Foundation Programme. This will include closer working with Universities and Colleges as well as community volunteer organisations.
- Growth of voluntary income and the development of a donor programme to fund the £1.4m operating costs of the Charity in 2015.
- Support and develop the retail programme by expanding the Charity's On-line shop to achieve £100k in net profit.
- Investment in and support of our staff through partnering and mentoring programmes with industry and other charities outside the Children's Hospice sector.
- Continued partnering with industry to drive down costs and strict financial management and planning.
- The development and delivery of a three year strategic plan, which places Noah's Ark firmly on the map as a holistic care provider to children with life limiting and life threatening illness and their families.

Culturally Noah's Ark continues to, and always will, put the needs of the child and family first. It is now more robust in terms of delivery, output and outcomes measurements. With strict financial planning and management now in place, supported by the understanding of the strength of partnering and innovation, the Charity is now well placed to take forward its plans and become a leader in Paediatric Palliative Care Services in North London.

GROUP FINANCIAL REVIEW

The consolidated results for the year ended 31st December 2014 are set out on page 11.

Group	<i>Total Income</i>	<i>Resources Expended</i>	<i>Surplus</i>	<i>2013</i>
	<u>£2,312,165</u>	<u>£1,550,629</u>	<u>£761,536</u>	<u>£992,873</u>
Charity	1,413,043	1,184,403	228,640	(122,914) deficit
NA Trading Ltd	220,312	218,786	1,526	(31,395) deficit
Maleberry Ltd	0	(934)	934	(941) deficit
Big Splash Appeal	<u>678,810</u>	<u>148,374</u>	<u>530,436</u>	<u>1,148,123 surplus</u>
Net Incoming Resources	<u>£2,312,165</u>	<u>£1,550,629</u>	<u>£761,536</u>	<u>£ 992,873</u>

The overall net surplus for the year amounted to £763,575 (2013 - £990,053) after taking into account an unrealised gain of £2,039 (2013 – Loss £2,820) in the market value of the Charity's endowment fund.

The company's memorandum and articles of association strictly prohibit the payment of any dividends

NOAH'S ARK – THE CHILDREN'S HOSPICE

REPORT OF THE BOARD (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

RESERVES POLICY

Noah's Ark Children's Hospice's Reserves policy is to maintain a level of reserves of 3 months operating costs - £350,000 - to enable the operating activities of the Charity to continue.

As disclosed on page 13:

Unrestricted funds of the Charity at the year-end amounted to £912,799 of which £152,997 were free reserves. This equates to approximately 1.3 months (2013: 0.6 months) of operational costs.

The Board of Trustees remain cognisant of the need to increase levels of reserves.

The Trustees are confident that Noah's Ark will continue to deliver recognised, high quality palliative care services to life-limited and life-threatened children and their families in North London.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT OF DISCLOSURE TO THE AUDITOR

So far as the Board of Trustees are aware:

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

AUDITORS

haysmacintyre were appointed auditors. In accordance with the company's articles, a resolution proposing that haysmacintyre be re-appointed as auditors of the Charity will be put to a General Meeting.

By order of the Board

Mr Michael A McInerney, Chairman


23rd July 2015

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF
NOAH'S ARK – THE CHILDREN'S HOSPICE**

We have audited the financial statements of Noah's Ark – The Children's Hospice for the year ended 31 December 2014 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Parent Charity Balance Sheets and the related notes. 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).

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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's 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 as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and Auditor

As explained more fully in the Trustees' Statement of Responsibilities set out on page 9, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under the Companies Act 2006. 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 December 2014 and of the group'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.


Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Board 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 requires us to report to you if, in our opinion:

- the charitable company and group have not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the consolidated charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and to take advantage of the small companies' exemption from the requirements to prepare a Strategic Report or in preparing the Directors Report.


Kathryn Burton (Senior Statutory Auditor)
for and on behalf of haysmacintyre
Chartered Accountants
Statutory Auditor

26 Red Lion Square
London
WC1R 4AG

Date: 23/07/15

NOAH'S ARK – THE CHILDREN'S HOSPICE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 DECEMBER 2014

	Note	Unrestricted Funds £	Restricted funds £	Endowment fund £	2014 £	2013 £
Incoming resources from generated funds						
Voluntary income						
Donations		975,599	160,572	-	1,136,171	830,523
Big Splash Appeal		-	678,810	-	678,810	1,175,006
Legacies		67,414	-	-	67,414	87,270
Gift aid		27,679	-	-	27,679	9,883
Investment income	3	7,615	-	-	7,615	2,367
Activities for generating funds	4	253,870	-	-	253,870	139,567
Incoming resources from charitable activities						
Statutory grants		0	124,334	-	124,334	121,181
Other grants		0	16,272	-	16,272	12,391
Total incoming resources		<u>1,332,177</u>	<u>979,988</u>	<u>-</u>	<u>2,312,165</u>	<u>2,378,188</u>
Resources expended						
<i>Costs of generating funds</i>						
Costs of generating voluntary income		395,655	67,909	-	463,564	417,838
Costs relating to Big Splash Appeal		-	148,374	-	148,374	26,883
Costs of activities generating income		4,161	-	-	4,161	19,360
Fundraising trading via subsidiary		218,786	-	-	218,786	167,561
<i>Charitable activities</i>						
Care services		378,993	273,867	-	652,860	689,391
Governance costs	6	62,884	-	-	62,884	64,282
Total resources expended	5	<u>1,060,479</u>	<u>490,150</u>	<u>-</u>	<u>1,550,629</u>	<u>1,385,315</u>
Net incoming resources before transfers						
Transfers between funds	16&18	271,698	489,838	-	761,536	992,873
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming resources before other recognised gains and losses						
		<u>271,698</u>	<u>489,838</u>	<u>-</u>	<u>761,536</u>	<u>992,873</u>
Other recognised gains and losses						
Unrealised gain/(loss) on revaluation of investment	11	-	-	2,039	2,039	(2,820)
Net movement in funds		<u>271,698</u>	<u>489,838</u>	<u>2,039</u>	<u>763,575</u>	<u>990,053</u>
Fund balances brought forward At 1 January 2014		<u>574,161</u>	<u>1,500,691</u>	<u>39,741</u>	<u>2,114,593</u>	<u>1,124,540</u>
Fund balances carried forward At 31 December 2014	19	<u><u>845,859</u></u>	<u><u>1,990,529</u></u>	<u><u>41,780</u></u>	<u><u>2,878,168</u></u>	<u><u>2,114,593</u></u>

The results for the year are derived from continuing operations.

There were no recognised gains or losses, other than those passing through the statement of financial activities.

CONSOLIDATED AND CHARITY BALANCE SHEETS

AS AT 31 DECEMBER 2014

	Notes	2014		2013	
		Group	Charity	Group	Charity
FIXED ASSETS					
Tangible fixed assets	10	997,802	657,520	899,715	661,654
Investments	11	41,780	41,782	39,741	39,743
		<u>1,039,582</u>	<u>699,302</u>	<u>939,456</u>	<u>701,397</u>
CURRENT ASSETS					
Debtors	12	170,552	534,749	424,358	765,961
Cash at bank and in hand		2,041,510	2,037,605	1,168,099	1,044,845
		<u>2,212,062</u>	<u>2,572,354</u>	<u>1,592,457</u>	<u>1,810,806</u>
CREDITORS: amounts falling due within one year	13	<u>(135,476)</u>	<u>(88,546)</u>	<u>(179,320)</u>	<u>(90,209)</u>
NET CURRENT ASSETS		<u>2,076,586</u>	<u>2,483,808</u>	<u>1,413,137</u>	<u>1,720,597</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,116,168</u>	<u>3,183,110</u>	<u>2,352,593</u>	<u>2,421,994</u>
CREDITORS: amounts falling due after one year	14	<u>(238,000)</u>	<u>(238,000)</u>	<u>(238,000)</u>	<u>(238,000)</u>
NET ASSETS		<u><u>2,878,168</u></u>	<u><u>2,945,110</u></u>	<u><u>2,114,593</u></u>	<u><u>2,183,994</u></u>
FUNDS					
Restricted funds	16	1,990,529	1,990,529	1,500,691	1,500,691
Endowment funds	17	41,780	41,782	39,741	39,741
Unrestricted funds	18				
General		86,057	152,977	(4,214)	65,187
Designated		759,802	759,802	578,375	578,375
		<u>2,878,168</u>	<u>2,945,110</u>	<u>2,114,593</u>	<u>2,183,994</u>

The financial statements were approved and authorised for issue by the Board of Trustees on *23rd July 2015* and were signed below on its behalf by:


Mr Michael A McInerney
Chairman

NOAH'S ARK – THE CHILDREN'S HOSPICE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable accounting standards, the Charities Act 2011, Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005), and the Companies Act 2006.

a) **Basis of accounting**

The financial statements have been prepared on a going concern basis under the historical cost convention, with the exception of investments which are included at market value, and in accordance with applicable accounting standards.

b) **Basis of consolidation**

The financial statements consolidate the Charity and its subsidiary undertakings, Maleberry Limited and Noah's Ark Trading Limited on a line-by-line basis.

In accordance with Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented for Noah's Ark – the Children's Hospice. The parent undertakings' total surplus for the year was £762,983 (2013: £1,022,389).

c) **Incoming resources from generated funds**

Grants, donations and other income are credited to the Statement of Financial Activities in the year to which they relate. Grants and donations will be recognised on an entitlement basis and when receipt is certain. Where there are conditions for entitlement under grants which amount to preconditions for use or which limit the ability of the company to control the use of the resources, income is recognised only when the Charity is satisfied that it has met the conditions imposed. Other income, including investment income, is recognised on an accruals basis

Legacies are recognised as soon as legal entitlement arises, the amount due is known with sufficient reliability and ultimate receipt is reasonably certain.

d) **Gifts in kind**

Gifts donated for resale are included as income when they are sold. Since November 2013, these gifts have been sold through Noah's Ark Trading Limited. Donated facilities are included at the value to the company where this can be quantified and a third party is bearing the cost. No amounts are included in the financial statements for services donated by volunteers.

e) **Resources expended**

All resources expended are accounted for on an accruals basis. Charitable activities relate to the direct provision of respite care and support services. Costs of generating funds relate to fundraising costs. Governance costs are those associated with constitutional and statutory requirements. Salary costs have been allocated based on time spent in each area by each member of staff. All other support costs including support staff salaries not directly attributable to an expenditure category are shown as support costs and have been apportioned on a FTE basis across each activity.

f) **Investments**

Investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals during the year.

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

1. ACCOUNTING POLICIES (continued)

g) **Realised gains and losses**

All gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investments are calculated as the difference between sale proceeds and opening market value (purchase date if later). Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (purchase date if later). There were no realised gains and losses in the year.

h) **Tangible fixed assets**

Tangible fixed assets are stated at cost, less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful life as follows:

Leasehold property	over the length of the lease
Fixtures, fittings and equipment	25% straight line
Hospice building project	not depreciated until completion

i) **Funds**

General funds are unrestricted funds which can be used at the discretion of the Trustees in accordance with the 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 Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The purposes and uses of the restricted funds are set out in note 16.

The restricted expendable endowment fund was created by a gift of investment bonds from the Rotary Club of Finchley. The bonds will be held or invested and any capital realised on disposal is to be used towards the cost of building (or fit out of) the new hospice. Any interest and dividends arising from the bonds are treated as unrestricted funds.

j) **Cash-flow statement and cash balances**

The group has taken advantage of the exemption permitted by FRS1, whereby a cash flow statement need not be prepared by a small group as defined in the Companies Act 2006.

Funds held in short term notice accounts are included in cash at bank.

k) **Value added tax**

Value added tax not recoverable is included in the relevant costs in the Statement of Financial Activities.

l) **Pensions**

The charity makes contributions to the National Health Service Pension Scheme for certain employees, which is a defined benefit scheme. As the scheme is a multi-employer scheme and the company is unable to identify its share of the underlying assets and liabilities, this scheme is accounted for by the charity as a defined contribution scheme.

m) **Leases**

The group has no finance leases or hire purchase contracts. Rentals applicable to operating leases, where substantially all the benefits and risks of ownership remain with the lessor, are charged to the Statement of Financial Activities account as they are incurred.

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

2. NET (OUTGOING)/INCOMING RESOURCES			2014	2013
			£	£
Net (outgoing)/incoming resources is stated after charging:				
Auditor's remuneration			11,780	11,700
Depreciation			17,882	17,174
Operating lease rentals			66,197	75,326
			<u> </u>	<u> </u>
3. INVESTMENT INCOME	Unrestricted Funds	Restricted Funds	2014	2013
	£	£	£	£
Bank interest received	5,515	-	5,515	267
Common Investment Funds – Fixed interest	2,100	-	2,100	2,100
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	7,615	-	7,615	2,367
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
4. ACTIVITIES FOR GENERATING FUNDS	Unrestricted Funds	Restricted Funds	2014	2013
	£	£	£	£
Noah's Ark events	33,500	-	33,500	1,061
Merchandise	58	-	58	2,340
Shop income – sale of donated goods	220,312	-	220,312	136,166
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	253,870	-	253,870	139,567
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
5. RESOURCES EXPENDED	Direct & directly allocated costs	Support Costs	Total 2014	Total 2013
	£	£	£	£
<i>Costs of generating funds</i>				
Costs of generating voluntary income	362,170	101,394	463,564	417,838
Costs relating to Big Splash Appeal	130,380	17,994	148,374	26,883
Costs of activities for generating income	4,161	-	4,161	19,360
Fundraising trading via subsidiary	218,786	-	218,786	167,561
<i>Charitable activities</i>				
Care services	496,274	156,586	652,860	689,391
<i>Governance costs</i>	49,844	13,040	62,884	64,282
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	1,261,615	289,014	1,550,629	1,385,315
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

5. RESOURCES EXPENDED (continued)

	Premises £	Finance and administration £	IT and communications £	Total 2014 £	Total 2013 £
SUPPORT COSTS					
<i>Costs of generating funds</i>					
Costs of generating voluntary income	30,337	64,738	6,319	101,394	93,653
Costs relating to Big Splash Appeal	5,384	11,489	1,121	17,994	7,535
Costs of activities for generating income	-	-	-	-	-
Fundraising trading via subsidiary	-	-	-	-	-
<i>Charitable activities</i>					
Care services	46,851	99,976	9,759	156,586	154,043
<i>Governance costs</i>	3,902	8,326	812	13,040	14,640
	<u>86,474</u>	<u>184,529</u>	<u>18,011</u>	<u>289,014</u>	<u>269,871</u>

Support costs are allocated on the basis of the average number of employees (full time equivalents).

Included within Finance and administration costs are support staff salaries totalling £99,447. Other significant support costs greater than £10,000 include: Premises (£84,597) and depreciation (£11,427).

6. GOVERNANCE COSTS

	Total 2014 £	Total 2013 £
Staff costs	28,175	33,205
Audit fees	11,780	13,900
Trustees expenses	149	156
Other costs	9,740	2,381
Support costs (as above)	13,040	14,640
	<u>62,884</u>	<u>64,282</u>

7. STAFF COSTS

	2014 £	2013 £
Wages and salaries	775,358	664,702
Employer's NI	73,606	62,028
Pension costs	5,447	5,391
	<u>854,411</u>	<u>732,121</u>

The average number of employees during the year was 29 (2013: 25). On average, 9 (2013: 8) employees were directly employed in fundraising activities and 15 (2013: 14) employees were directly employed in community services. 2 FTE employees were engaged with the Big Splash Appeal. The remaining employees were involved in all aspects of running the Charity.

1 employee was paid at an annual rate over £60,000 during the year (2013: £60,000 - £70,000: None).

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

8. DIRECTORS' REMUNERATION

One of the directors, Mrs Mary O'Toole, was reimbursed expenses totalling £424 (2013: £588) in her capacity of providing pro-bono services as a social worker in the year. Her husband Charles O'Toole received £53 (2013 – £758) travel expenses in his capacity as a volunteer. No other director received remuneration from the charity in the year.

9. NET RESULTS OF TRADING SUBSIDIARIES

	Noah's Ark Trading Limited	
	2014	2013
	£	£
Profit & Loss		
Turnover	220,312	136,166
Cost of sales	(4,204)	(6,330)
Gross profit	<u>216,108</u>	<u>129,836</u>
Administrative expenses	(214,582)	(161,231)
Net Profit/(Loss)	<u>1,526</u>	<u>(31,395)</u>
Balance Sheet		
Fixed Assets	38,200	44,154
Current Assets	25,442	26,021
Current Liabilities	(127,329)	(135,388)
Profit & loss account	(63,687)	(65,214)
Called up share capital	1	1
Net Liabilities	<u>(63,686)</u>	<u>(65,213)</u>
	Maleberry Limited	
	2014	2013
	£	£
Turnover	-	-
Cost of sales	-	-
Gross profit	<u>-</u>	<u>-</u>
Administrative expenses	934	(941)
Net profit/(loss)	<u>934</u>	<u>(941)</u>
Balance Sheet		
Fixed assets	302,082	193,907
Current assets	2,740	122,150
Current liabilities	(308,075)	(320,244)
Profit and loss account	(3,253)	(4,188)
Called up share capital	1	1
Net Liabilities	<u>(3,254)</u>	<u>(4,187)</u>

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

10. FIXED ASSETS

CONSOLIDATED	Hospice and Centre Building project £	Leasehold properties £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2014	193,907	722,148	28,097	944,152
Additions	108,175	-	7,794	115,969
At 31 December 2014	<u>302,082</u>	<u>722,148</u>	<u>35,891</u>	<u>1,060,121</u>
Depreciation				
At 1 January 2014	-	26,434	18,003	44,437
Charge for the year	-	10,149	7,733	17,882
At 31 December 2014	<u>-</u>	<u>36,583</u>	<u>25,736</u>	<u>62,319</u>
Net Book Value				
At 31 December 2014	<u>302,082</u>	<u>686,565</u>	<u>10,155</u>	<u>997,802</u>
At 31 December 2013	<u>193,907</u>	<u>695,714</u>	<u>10,094</u>	<u>899,715</u>
CHARITY		Leasehold property £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 January 2014		674,065	21,925	695,900
Additions		-	7,293	7,293
At 31 December 2014		<u>674,065</u>	<u>29,218</u>	<u>703,283</u>
Depreciation				
At 1 January 2014		18,661	15,675	34,336
Charge for the year		5,341	6,086	11,427
At 31 December 2014		<u>24,002</u>	<u>21,761</u>	<u>45,763</u>
Net Book Value				
At 31 December 2014		<u>650,063</u>	<u>7,457</u>	<u>657,520</u>
At 31 December 2013		<u>655,404</u>	<u>6,250</u>	<u>661,654</u>

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

11. FIXED ASSET INVESTMENTS

	Listed investments	Charity Shares in subsidiary undertakings £	Total £	Group Listed investments £
Cost or valuation				
At 1 January 2014	39,741	2	39,743	39,741
Additions	-	-	-	-
Unrealised gain/(loss) on revaluation of Investments	2,039	-	2,039	2,039
At 31 December 2014	41,780	2	41,782	41,780
At 31 December 2013	39,741	2	39,743	39,741

Listed investments

The Charity's fixed asset investment comprises a holding of 32,415 M&G Charibond units at a market value of £41,780 as at 31 December 2014.

Shares in subsidiary undertakings

The following are 100% owned subsidiary undertakings, incorporated in England and Wales:

Maleberry Limited

Noah's Ark Trading Limited

Maleberry Limited was incorporated on 2 February 2013, with a principal activity of the design and build of a children's hospice.

Noah's Ark Trading Limited was incorporated on 10 June 2013, with a principal activity of retailing.

12. DEBTORS

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Amounts owed by subsidiary undertakings	-	-	388,474	366,520
Prepayments and accrued income	106,150	404,512	93,581	387,945
Other debtors	16,370	11,968	15,166	11,496
Other taxation and social security	48,032	7,878	37,528	-
	170,552	424,358	534,749	765,961

13. CREDITORS: amounts falling due within one year

	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Trade creditors	42,526	65,083	35,103	28,014
Other creditors	1,946	1,242	1,699	671
Taxation and social security	26,584	36,298	25,355	34,555
Accruals	64,420	76,697	26,389	26,969
	135,476	179,320	88,546	90,209

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

14. CREDITORS: amounts falling due after one year	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Loans from related parties	238,000	238,000	238,000	238,000

In 2010 the company received a loan of £238,000 from The J Isaacs Charitable Trust towards the acquisition of the site for the proposed new hospice building. The loan is repayable in two to five years and no interest is payable thereon. The loan is forgivable and conditional on progress being made with the build of the hospice.

15. COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. The liability in respect of the guarantee is limited to £10 for each member while he or she is a member or within 12 months after he or she ceases to be a member, in the event of the dissolution of the company.

16. RESTRICTED FUNDS	Balance at 1 January 2014 £	Incoming resources £	Resources expended £	Transfers between funds £	Balances at 31 December 2014 £
Big Splash Appeal Community Service	1,401,024	678,810	(148,374)	-	1,931,460
- Play Respite Community Service	25,576	8,381	(17,659)	-	16,298
- Family Support Volunteer Fund	-	20,000	(20,000)	-	-
Home Support Volunteer	-	10,000	(10,000)	-	-
NHS England – S64	30,395	124,334	(123,646)	-	31,083
Wishes Fund	4,746	-	(1,341)	(566)	2,839
Hardship Fund	-	-	(566)	566	-
Family Activities Fund	-	2,725	(2,725)	-	-
Family Link Worker	10,000	-	(10,000)	-	-
Family Support	-	10,000	(10,000)	-	-
Noah's Ark Van Fund	1,228	1,118	(1,280)	-	1,066
Short Break Service	-	10,971	(10,971)	-	-
Siblings Support	2,575	30,609	(33,184)	-	-
Specialist Carers Service	-	33,775	(33,775)	-	-
Specialist Carers Equipment	-	2,097	-	-	2,097
Retail Development	-	29,267	(29,267)	-	-
Work Placements (London Borough of Barnet)	-	5,301	(5,301)	-	-
Employee Training	-	2,100	-	-	2,100
Office Facilities & Equipment	1,908	10,500	(9,311)	-	3,097
Special Support Fund	23,239	-	(22,750)	-	489
	<u>1,500,691</u>	<u>979,988</u>	<u>(490,150)</u>	<u>-</u>	<u>1,990,529</u>

The Big Splash Appeal was established to raise funds towards the building of a children's hospice on land owned by the Charity in Barnet.

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

16. RESTRICTED FUNDS (continued)

The Play Respite fund provides funding to enable play workers to go into individual children's homes to assist parents by providing positive play/therapeutic experiences for the life-limited child and/or their siblings for sessions lasting up to 3 hours, often also allowing their parents or primary carers a break from hands-on care.

The Family Support & Home Support Volunteer Funds provide training, supervision and equipment for Home Support Volunteers who give family support in the home.

NHS England fund was established following the receipt of a section 64 grant to support our Hospice at Home Service.

The Wishes Fund was set up in 2008 to allow the Charity to support families by granting 'significant moment' and 'mini-treat' wishes. This has given the Charity the ability to grant wishes quickly and independently, without recourse to other wish-granting organisations. The latter will be approached should the timing and nature of the need of families be appropriate.

The Hardship Fund was established at the end of 2009 to provide emergency and exceptional funding for families needing assistance with living costs. This fund is not publicised and the internal panel apply strict criteria when assessing applications. Wherever possible we seek to help families by accessing other sources of funding or by resolving factors leading up to their financial difficulties.

The Family Activities Fund provides funding for organised family activities for the life-limited children and their families – creating special, shared experiences and happy memories for the future, and providing opportunities for interaction between families for peer support.

Family Linkworker Fund was established following receipt of restricted donations to provide linkworkers to families.

The Noah's Ark Van Fund was set up at the end of 2009 to allow restricted donations to cover van insurance costs.

The Siblings Support Fund was created to provide support for activities specifically directed at brothers and sisters of life-limited children, with a view to providing them with the opportunity to have experiences independent of their family situation and to interact with peers facing similar challenges.

The Specialist Carers' Fund was established in 2010. The programme provides respite for parents and family members, allowing full responsibility for the care of the life-limited child to be delegated to a trained carer. This provides much needed respite – particularly welcome at weekends and potentially overnight.

The Retail Development Fund was established in September 2011 to provide funds to finance and establish our Retail arm – Noah's Ark Trading Ltd. The London Borough of Barnet operates special schemes to find placements for young persons experiencing difficulties in finding permanent employment. The scheme provides them with experience of the workplace.

The training fund provides development training for staff.

Following the move to in Barnet in 2010, the Office Facilities & Equipment Fund was established following generous donations to cover the cost of the rent of the office until June 2013.

The Special Support Fund was created to provide funding for new initiatives in fundraising and throughout the organisation, thus aiding development.

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

17. ENDOWMENT FUNDS	Balance at 1 January 2014 £	Incoming resources £	Resources expended £	Gains/ (losses) £	Balances at 31 December 2014 £
Resources expendable Endowment fund	39,741	-	-	2,040	41,781

The expendable endowment fund was created by a gift of investment bonds from the Rotary Club of Finchley. The use of any capital realised on disposal of the bonds is restricted to the costs of equipping the proposed new hospice building.

18. UNRESTRICTED FUNDS	Balance at 1 January 2014 £	Incoming resources £	Resources expended £	Transfers between funds £	Balances at 31 December 2014 £
Designated funds					
Fixed assets fund	578,375	-	-	181,427	759,802
	578,375				
Unrestricted general fund	(4,214)	1,332,177	(1,060,479)	(181,427)	86,057
Total unrestricted funds	574,161	1,332,177	(1,060,479)	-	845,859

Designated funds

The fixed asset fund represents funds that the Trustees have agreed to set aside as designated funds and corresponds to the net book value of tangible fixed assets not represented by restricted funds less loan balances.

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted funds £	Restricted funds £	Endowment funds £	2014 £	2013 £
Group					
Fixed assets	997,802	-	41,780	1,039,582	939,456
Debtors	170,552	-	-	170,552	424,358
Bank and cash	50,981	1,990,529	-	2,041,510	1,168,099
Creditors less than one year	(135,476)	-	-	(135,476)	(179,320)
Creditors more than one year	(238,000)	-	-	(238,000)	(238,000)
	845,859	1,990,259	41,780	2,878,168	2,114,593

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)	Unrestricted funds £	Restricted funds £	Endowment funds £	2014 £	2013 £
Charity					
Fixed assets	657,520	-	41,782	699,302	701,397
Debtors	534,749	-	-	534,749	765,961
Bank and cash	47,076	1,990,529	-	2,037,605	1,044,845
Creditors less than one year	(88,546)	-	-	(88,546)	(90,209)
Creditors more than one year	(238,000)	-	-	(238,000)	(238,000)
	<u>912,799</u>	<u>1,990,529</u>	<u>41,782</u>	<u>2,945,110</u>	<u>2,183,994</u>

21. FINANCIAL COMMITMENTS

At 31 December 2014 the Charity had annual commitments under non-cancellable operating loans as follows:

	Land and buildings		Other	
	2014 £	2013 £	2014 £	2013 £
Operating leases which expire:				
Within one year	-	-	3,900	-
Between two and five years	40,000	42,412	-	9,360
After more than five years	35,000	35,000	-	-
	<u>75,000</u>	<u>77,412</u>	<u>3,900</u>	<u>9,360</u>

22. RELATED PARTY RELATIONSHIPS AND TRANSACTIONS

At the year end the company owed £ 238,000 (2013: £238,000) to The J Isaacs Charitable Trust. *See note 14.* During the year the company received donations totalling £220,000 (2013: £Nil) from The J Isaacs Charitable Trust, of which Mr Jeremy Isaacs CBE is a Trustee.

During the year the company received a donation of £ 200,000 (2013: £50,000) from Brookdale Group of companies. The Trustee Mr Michael McInerney is a director and controlling party of Brookdale Group Limited. At the end of the year the company owed £NIL (2013: £Nil) to Brookdale Group of companies.

In 2014 the company engaged Lehmann Communications Plc to carry out design & advertising work costing £17,328 (£12,000 in 2013). At the year end, the company owed £Nil (2013: £Nil) to Lehmann Communications Plc. Mr Ronel Lehmann is a director and shareholder of Lehmann Communications Plc. Mr Lehmann resigned as a Trustee of Noah's Ark Children's Hospice on 3.11.14

The directors Mr Michael McInerney and Mr Jeremy Isaacs CBE are acting as sureties for Noah's Ark Trading Ltd's shop lease.

Exemption from disclosing transactions with group companies has been claimed, as all subsidiaries are wholly owned and included in these financial statements, which are publicly available.

NOAH'S ARK – THE CHILDREN'S HOSPICE

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2014

23. PARENT COMPANY DISCLOSURES

Income of the charity (the parent company) amounted to £2,093,893 (2013: £2,239,302). Net incoming resources amounted to a surplus of £761,117 (2013: a surplus of £1,022,390).