



Noah's Ark

Children's Hospital Charity
Elusen Ysbyty Plant

Annual Report 2018



Creating
brighter today's and
better tomorrows
for the children of Wales.

Registered Charity No. 1069485
Registered No. 3486361



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A message from our chair

Eddie Hayward OBE

Chairman of the Noah's Ark Charity

On behalf of the Trustees, I am pleased to present our annual report and accounts for 2018 and to warmly thank all those who have contributed; it is only with your help that we are able to change the lives of vulnerable babies and children across Wales.

Over 73,000 children are treated by specialists at the Noah's Ark Children's Hospital for Wales each year, either at the hospital or in their local communities across the nation. We continue to fund the work of the specialist teams by providing the best medical equipment and facilities to enable the best possible treatments and outcomes for patients and their families.

We rely entirely on voluntary income to be able to help the hospital and in 2018 we invested £1,863,486, which was drawn down from existing reserves. I am pleased to share examples of the impact we have had in this report such as the continuation of support for the play specialist team and the continued funding of the night service in the clinical assessment centre.

Our Noah's Ark Tiny Lives Appeal, in support of the development of the NICU at the University Hospital of Wales in Cardiff, continued to the end of 2018. We aimed to raise funds to help save the lives of the most vulnerable babies as well as provide facilities that help make the experience for parents at the unit more comfortable and less stressful.

We achieved more than our £1m target, raising £1,019,648 by the end of December 2018. This meant that, in addition to the £936,534 allocated by the end of 2018 to fund equipment, we were also able to approve funding for a two year pilot psychology service to support parents during traumatic times. Recruitment for these posts is expected to take place during the autumn of 2019.

We grew our income in 2018 to £1.4m and continue to go from strength to strength. We have enjoyed success in a number of areas including corporate and individual giving, legacies and recycling. In addition, a change to our existing hospital shop has seen the turnover more than double and this has led us to our first foray into the high street. Our supporters continue to grow in numbers and I would like to thank our charity team for their hard work and our supporters without whom nothing would be possible.

As a small team with limited resources, we welcome the support of communities and businesses around Wales to help us continue to work in partnership with the health board, hospital and staff in providing patients and their families with the best possible support and care. We will always strive to help provide facilities and services that are world-class, embracing progress in technology and innovation.



A handwritten signature in black ink, appearing to read 'E. Hayward', located at the bottom left of the page.

Reference and administrative details

The trustees, who are also the directors for the purposes of company law, present their report and the consolidated financial statements of the charitable group for the year ended 31 December 2018. This report consolidates the results of Noah's Ark Children's Hospital Charity and its subsidiary, Noah's Ark Appeal Limited.

Registered charity name	Noah's Ark Children's Hospital Charity
Charity registration number	1069485
Company registration number	03486361
Principal office and registered office	Upper Ground Floor Noah's Ark Children's Hospital for Wales, Heath Park, Cardiff, CF14 4XW
The Trustees	<p>Dr. R. Verrier-Jones MA FRCP HON FRCPCH E. A. Hayward OBE J.A. Hayward A. Abhyankar M.Ch FRCS FRSCS (Paeds) L. H. Doyle Cert PFS First SMM Dr. M. Alfaham MB, CHB, MRCP, MD, FRCPCH K. Clatworthy (Appointed 22 August 2018) S.O. Gates FCA (Appointed 17 October 2018) D.C. Jones BEd (Appointed 23 January 2019) S.P. Thompson (Appointed 17 April 2019) R. Lloyd Griffiths OStJ (Retired 27 November 2018)</p>
Senior management	Suzanne Mainwaring MSc Director
Auditor	Carston Chartered Accountants and Statutory Auditor Tudor House, 16 Cathedral Road, Cardiff, CF11 9LJ
Bankers	HSBC Bank PLC 56 Queen Street, Cardiff, CF10 2PX
Solicitors	Eversheds 1 Callaghan Square, Cardiff, CF10 5BT

Objectives and activities

About us

As the official charity of the Noah's Ark Children's Hospital for Wales, children and families are at the heart of everything that we do.

We respond to urgent needs across the hospital, funding innovative life-saving equipment and investing in technology that helps to train the clinicians of tomorrow. We also provide funding for patient and family services that help alleviate anxieties, support parents and engage children.

We fund

- Medical equipment and direct patient care
- Innovation
- Support for patients and their families
- Staff and professional development
- Environment and facilities
- Capital development

Our mission and goals

We believe passionately that all children in Wales should get the best possible hospital care.

We aim to help the Noah's Ark Children's Hospital for Wales become a centre of excellence in paediatric care.

Our mission is to ensure that the hospital's dedicated and committed practitioners have the best equipment and facilities they need to secure the best outcome possible for their young patients. We also want children and their families to feel supported and cared for, in what are often very challenging times. This is why we invest in services designed to enhance and enrich patient experience.

The values that guide us are:

Excellence: We strive to support the work of staff by providing the best medical equipment and facilities.

Hope: To offer hope to children and their families from across Wales.

Compassion: That compassion is at the heart of everything we do.

Family: We work together as an extended family; working in partnership with the hospital, community, patients and their families.

We support the whole hospital and all of its patients through our fundraising. Noah's Ark Charity receives no government or NHS funding. Everything we fund is only made possible thanks to the donations and gifts in wills that we receive.

Charitable objects

The relief of sickness and promotion of good health in children and young people attending the Noah's Ark Children's Hospital for Wales and its outreach services, in particular by the provision of excellent facilities, equipment and other resources, and the advancement of innovative and pioneering treatments.

Public benefit

The Trustees confirm that they have complied with the duty in section 4 of the charities act 2011 to have due regard for the Charity Commissions' guidance on public benefit.

Setting and achieving our fundraising objectives

Our organisation was originally set up to launch a major capital appeal for Wales' first ever purpose built children's hospital. Our purpose has now changed since phase two opened its doors in 2015.

Working closely with the Clinical Board for Women and Child Health at the University Board plus the health board's executives means that the charity has become an integral stakeholder and partner in the children's hospital and to that effect we have been made the official charity for the hospital both in recognition of our huge contribution to date and because our charity helps the hospital as a whole, not just patients with certain medical conditions.

Our work extends beyond the walls of the hospital, into the community, at local hospitals and into patient homes through the equipment we have provided and the training we support.

A strategic partner for development

We are the charity that the health board turns to and invites as a partner for capital development projects, to achieve its vision and objectives for child health. We are therefore a partner funder in the development of the Neonatal Intensive Care Unit.

Whilst the Welsh Assembly Government and the NHS have provided funding the capital build and some equipment, the health board cannot complete the project without our support. In addition, we are able to influence hospital spending, for example, Noah's Ark's funding enables the assessment centre to stay open throughout the night, meaning that children presenting can be assessed and potentially discharged without admittance as an inpatient, saving the family anxiety and the hospital money.

Supporting direct care to patients

Our charity is now also integral to the work of the hospital, supporting the provision of direct care to patients through services such as the assessment centre nursing team. The Noah's Ark Charity still provides state-of-the-art equipment to the hospital ensuring that the most up to date technology is available to the specialist medical teams.

Grant making

The charity also supports the children's hospital, the Child Assessment Centre at Llandough Hospital and the community teams by raising funds for projects put forward by various departments, wards and individual members of staff. Our grant making programme which launched in 2016 was set up to make the charity accessible to all involved with our national children's hospital.

The charity discusses the applications with the clinical board divisional management team to understand priorities and be advised of any issues, before a decision is taken by the charity's board of trustees at quarterly meetings. Three of the charity's trustees have extensive clinical knowledge and expertise. The successful applications all contribute to the overall objectives of the charity.

We will continue our grant making programme in 2019 and monitor the impact we make. We will also review the process from application through to decision, potentially introducing new requirements for higher value applications.

Raising awareness

We raise awareness of the work of our national children's hospital through sharing the experiences of patients and their families. We seek to reduce anxiety and change misconceptions through sharing patient stories and focus on the different staff that children coming to the hospital may meet. We celebrate the success stories and the inspirational work that goes on every day and we share the important health messages issued by the health board to maximise reach and impact.

How we measure success

At our most basic level for measuring success, for every £1 donated to the charity we aim to ensure that 80p goes to our cause, providing life-saving equipment and supporting sick and vulnerable children and their families.

In 2018, 86p in every £1 raised was spent on the hospital, its patients, families and staff. Examples of how we helped are featured in this report.

We also measure success against specific campaign and event targets, growth in new supporters, and followers among numerous other indicators.

We are pleased that there is such tangibility for the investment of our funds. We are able to easily show donors how their funds have been used for the benefit of thousands of patients treated every month.

We can't do this alone

Without our supporters and volunteers none of what has been achieved this year would be possible. As a small team, we rely heavily on partnerships with companies, groups and schools and on the generosity of individuals from across Wales and beyond. Our volunteers are crucial to the delivery of so many of our activities from events, office support and to running our shop and our grateful thanks are extended to everyone who has given us their precious time.

Going forward

Our short term goals in 2018 were simply to deliver on our commitments to the hospital. We wanted to reach our target of £1m to support the NICU which we achieved. In order to raise the money, it was important to reach new audiences through communication and fundraising events, to sensitively share the experiences of those families going through difficult times and to show how we could transform patient lives through the funding of the best medical equipment and the provision of support of their families to keep them strong. We also wanted to effect positive change throughout the hospital where it was needed and through our grant making programme and our close liaison with the hospital management we have many examples of delivering that in practice; they are featured in this report. Thirdly we agreed to continue our support of the clinical assessment centre.

We also wanted to make an immediate difference to patients and families by continuing the over and above support that makes brighter todays and better tomorrows and we organised character visits, ice lolly treats in hot weather, coffee mornings for weary parents and trips to the cinema, bowling and sports matches. We will grow this activity by developing our hub club activities in 2019 and continue to create happiness in many ways through our sparkle fund.

We continued to develop our events income and our plans to be visible and relevant to the family market. We made significant progress in increasing the numbers that take part in sporting events and improving their experience as supporters of Noah's Ark. In addition, we made progress against our plans to set up an ambassadors network.

Medium to long term goals

Our medium to longer term goals do not alter in spirit, as believing that all children in Wales should get the best possible hospital care remains our core mission. We will work with the hospital management to plan for the future development of the hospital.

We will consider how we can support plans to deliver a hospital at home service that will enable patients to be discharged more quickly, receiving transitional clinical care in their own homes.

We will work with the hospital to deliver plans to transform jungle ward so that it can accommodate the very different groups of patients within its care: neuro-rehabilitation patients, children admitted with severe mental health issues and children with complex or life-long medical conditions such as cystic fibrosis and diabetes that have repeated stays at the ward often for lengthy periods.

We will continue to support the inspirational medical professionals and community teams for the benefit of the 73,000 vulnerable children and babies that are treated every year and we remain particularly keen to support innovation in services to patients and in direct medical care and will welcome further grant applications.

To achieve our longer terms goals, we will need to continue to increase our income, continually review opportunities for growth, achieve best practice in all we do and reduce costs where possible.

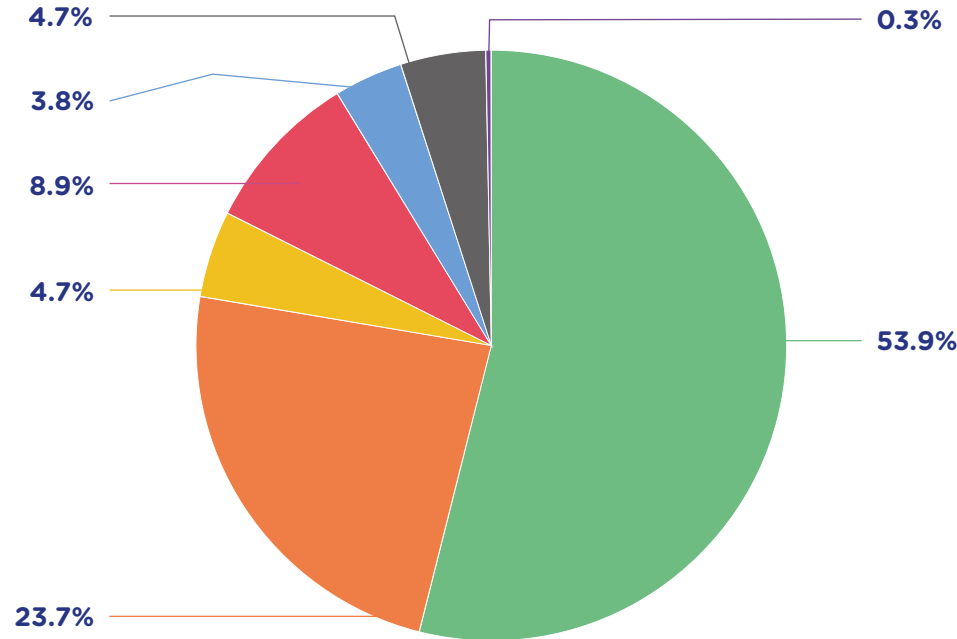
We will continue to invest in our communications to raise awareness of our charity and drive our fundraising.

Noah's Ark will continue to invest in our staff, grow our team where necessary and we will support those connected with our organisation that help us to deliver activities and key messages in local communities. We will show our supporters that they are valued, that without them we are nothing and we will build the Noah's Ark Family and make our charity stronger so that we can make a difference to patients now and for generations to follow.



These charts illustrate the sources of our income and how that income has been spent to support children and families and the Noah's Ark Children Hospital for Wales.

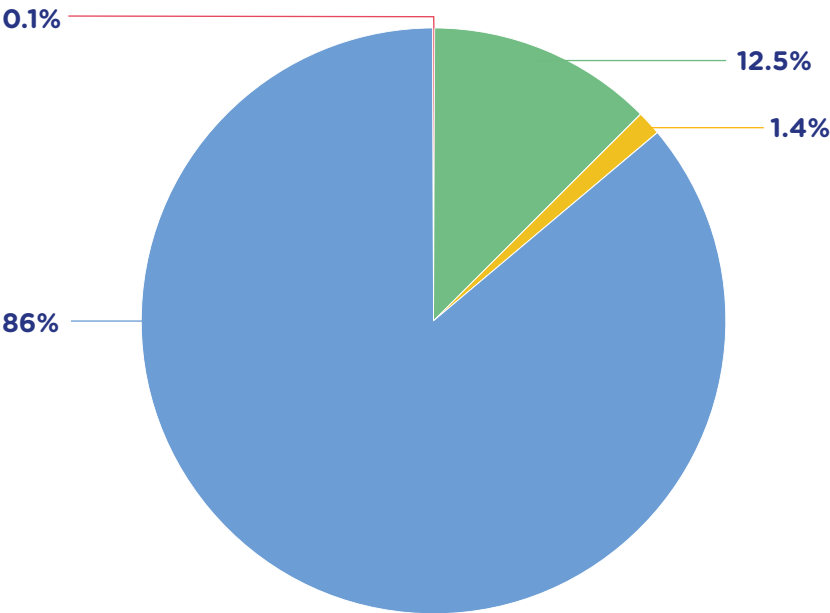
Income 2018



- Donations (£780,566)
- Legacies (£343,662)
- Grants (£68,571)
- Events (£128,431)
- Recycling (£54,534)
- Trading (£67,544)
- Investment (£4,151)

Total £1,447,459

Expenditure 2018



- Fundraising costs (£271,338)
- Trading (£29,255)
- Charitable activities (£1,863,486)
- Taxation (£888)

Total £2,164,967

86p in every £1 raised is spent on our charitable activities

Achievements and performance

We are delighted to report to you that our income grew by 12% compared with 2017, which itself saw an increase of 18% over 2016. As we plan for the longer term we intend to continue this growth year on year.

Our current fundraising activities cover a wide range of income sources. These include community fundraising (including schools), corporate partnerships, individual giving and events. Where we have focused our limited resources we have stabilised income or seen growth: donations increased by 25.4% and legacies by 126% following a period where we experienced a dip in this source. Recycling is up 42% on 2017 and events income has grown by 11.4% which was an objective for 2018.

This does not include the ever successful Royal Ascot Day Lunch as it is organised by a third party, albeit the Vice Chair and Chair of Noah's Ark Charity and their company, Chepstow Plant International.

We are currently working on a three year plan which will allow the health board to achieve development projects for patients and families and allow the charity the flexibility and freedom to broaden its activities and invest where income may be returned on a longer term basis.

In 2019 we will grow our events income further and introduce new bespoke events onto our calendar which will include a Walk across Wales intended to appeal to a cross section of the community.

We were delighted to be chosen as the charity of the Rt Hon the Lord Mayor of Cardiff, Cllr Dianne Rees JP who set an ambitious fundraising target of £100,000, which she achieved half way through her term of office.

We are so grateful to have enjoyed the commitment and passion of Cllr Rees and her consort John Charles Rees QC. Being both parents and grandparents, they had previously experienced first-hand what it is like to be in hospital with a child with meningitis and also a neonatal baby.



The Noah's Ark Tiny Lives Appeal was the perfect project for the Lord Mayor and a terrific legacy to leave following her term in office. The partnership ended May 2019 with a celebration ball to mark the end of this and also the end of our 18th year as a charity.

The partnership gave us the opportunity to undertake a number of different events and activities and introduced us to many new audiences who have given generously to our charity. We took part for the first time in the Big Give which allowed donations to be matched by philanthropists. The final total was £69,850.

Our community ambassadors programme was launched and now seven ambassadors are in place across Wales.

We would love to attract further ambassadors in 2019 so that we may strengthen our resources and increase our presence in communities across Wales. We also appointed our first youth ambassador, Mia Lloyd, who has been an inspiration to us all.

Each ambassador acts as an official advocate for the Noah's Ark cause in their own communities or work area. As a small charity with big ambitions, we know that their passion will have a huge impact.



Retail

A major change for us in 2018 was our shop at the hospital. In line with other children's hospitals across the UK, we changed our operation to no longer sell second hand goods to eliminate any risk of infection to vulnerable children.

The shop was moved into our trading subsidiary to more easily monitor performance. Whilst we experienced upheaval, the outcome has been more than double the turnover which is most pleasing as we have kept prices deliberately low and affordable for patient families. This additional income will make a big difference to our patients.



Communications and engagement

2018 was a landmark year for the Noah's Ark Charity as it celebrated both its 18th year and the culmination of its first big appeal since the opening of the children's hospital in 2015.

We wanted to use these opportunities to say a huge thank you to our supporters and demonstrate the real impact that their fundraising has made while reaching out to potential new audiences to show the difference that they could make. To kick off a year of activities linked to our 18th year, we launched our 'Because of You' video which featured both patients, parents and hospital staff explaining the impact that the charity's funding has made to their lives. We reached out to both new and existing audiences with this message resulting in 162 new Facebook followers, countless messages from families with their own 'Because of you' and 100% goodwill and positivity.

Through our Tiny Lives Appeal, we continued to reach out to new audiences building relationships with many families who, as well as raising funds for the appeal, kindly offered to tell their story to show others what a difference their donations could make. It's with their support that we were able to launch a seven week campaign with the South Wales Echo who adopted Tiny Lives as their Christmas appeal. The editorial content alone from this partnership had an advertising value equivalent of £177,438 and achieved a reach of 2,886,537. This was something that as a small charity would have been extremely challenging for us to achieve alone.

The partnership culminated with a Boxing Day full front page, announcing that the £1 million target had been hit!

As a charity that relies solely on public generosity, our supporters' views and needs are vital to the forming of our future strategy. During the summer months we engaged with supporters, hospital staff and potential new audiences, gathering feedback through a series of questionnaires and face to face meetings. This information provided us with valuable insight which helped us to focus how and what we communicate to both our existing and hopefully, our future supporters.

As well as re-enforcing the need to demonstrate the impact of people's support, the audience research also told us that awareness of the charity within the hospital was not as high as we'd thought. With this in mind we re-doubled our efforts, recruiting a number of staff ambassadors to help us spread the word. We also welcomed our first young ambassador, Rainbow ward patient, Mia Lloyd, who featured on the 18th Birthday edition of our newsletter and spoke movingly at a garden tea party hosted for our new ambassadors.

In December we also launched two new engagement activities for patients and families – our sparkle fund and the Friday hub club. The response, both within the hospital and on social media, was resoundingly positive from the outset and we are confident that we can build on this initial success, engaging with patients and families in a way that's meaningful to them, in 2019.

Storytelling continued to be the foundation of our communication in 2018, helping us to increase our Facebook followership by 25% and our Twitter followership by 12%. We also launched a Noah's Ark Charity Instagram page. Working in partnership with our new digital agency 11:fifty-nine, we used our google ads charity grant, Facebook event advertising and engaging organic content to drive a record numbers of people to our website, with 46,925 visits to the site throughout the year. During 2018 Facebook also drove around 70% of our event registrations.

Three key aims for 2019

1. Initiate the build of a new website which will improve usability and functionality for our users, making it even easier to donate, sign up and engage with the cause.
2. Continue to demonstrate impact through storytelling, particularly focusing on the area of fundraiser stewardship.
3. Continue to increase visibility around the hospital both through our engagement activities and information boards.

Our year



March Snow Rules

Doctors and nurses walked miles to get to the hospital or slept at the hospital to keep it running during the St David's Day White Out.



Garden party here in the hospital

We welcomed our family ambassadors to an afternoon tea in the hospital garden in May.



Teddy Bear's Picnic

300 people attended our Teddy Bears' Picnic in March, raising **£6,292**



166 runners took to the streets in various events raising over **£71,000**



Santa's Grotto

It was the busiest year yet for our Santa's Grotto in IKEA, Cardiff.



Ascot Day Lunch

Our annual Ascot Day at Chepstow Racecourse in June raised **£59,425**



Zip wire

Many of our NICU families took part in our sponsored Zip Wire in aid of the Tiny Lives Appeal in July.



Gin at the Castle

An intimate Gin at the Castle event in the castle's undercroft kicked the Big Give off to a great start.



Family Fun Walk

The sun shone yet again for our Family Fun Walk in September.



Eisteddfod yr Urdd

The Urdd Eisteddfod in Cardiff was an opportunity to meet children and young people from all across Wales.



Noah's Ark Children's Hospital staff ball

Noah's Ark Children's Hospital staff had a ball with us in December.

The difference a year makes – how we helped

2018 was a big year in terms of our support for the NICU, but that didn't stop us from maintaining our commitment to the children's hospital as a whole. Here's some of the things we have achieved with the help of our supporters in the past 12 months.





Patient and family support

£345,000 was invested to fund the play specialist team so that they could continue to prepare children for treatment, distract them during procedures and help them understand their hospital experiences through therapeutic play. It also included £10,000 to spend on toys, games, equipment and craft materials in 11 separate areas of the hospital.

In 2018 we spent £437,768

A very special friendship

When five-year-old Mali suddenly developed persistent bladder problems in April 2016, her doctor initially thought that she was suffering from a stubborn water infection. But after months of trying various antibiotics which failed to have any impact on her deteriorating condition, Mali was referred to her local paediatric department where tests revealed that her body was failing to produce an antidiuretic hormone called vasopressin. As a result, Mali had developed a type of diabetes called CDI, which can be caused by damage to the pituitary gland. To find out what had caused the damage, Mali was referred for an MRI at the Noah's Ark Children's Hospital for Wales.

Mum, Sam, says: **"After months of worry, we were feeling relieved that we finally had a diagnosis for Mali and I was fairly relaxed that the MRI was just a precaution. So when we were told that the scan had revealed a tumour on her pituitary gland, it almost felt like an out of body experience. Suddenly we were being introduced to the brain tumour specialist who told us that Mali would need an X-Ray to diagnose the type of tumour she had. I can't really explain how I felt during that time. I couldn't eat, sleep or even drink, I felt so sick with fear."**

The X-Ray results were a combination of both good and bad news. Mali had two other tumours other than the one on her pituitary but none were cancerous. She was diagnosed with a condition called Langerhans cell histiocytosis (LCH) and though she would need a year of chemotherapy to treat it, her specialist was as confident as she could be that Mali would respond well.

"It was all still a major unknown to us and, though her diagnosis was in many ways the best we could have hoped for, we knew we had a very bumpy road ahead. In the lead up to Christmas, Mali had a four hour operation during which she had a lumbar puncture and biopsy and her chemotherapy port fitted ready to start treatment in January. I think that was the lowest point for me. We had no idea then how she was going to respond or whether she would lose her hair and there was still so much we didn't understand."

It was around this time that the Tallis family were introduced to Kimberley, play specialist on the oncology ward, who helped explain everything to them in non-clinical terms. Sam describes Kimberley as a breath of fresh air for them all but says that for Mali, she was heaven sent.

Sam says: **"Kimberley spent time getting to know Mali so that when the treatment started, she seemed to know instinctively what she would need. She was honest with her in a way that as parents, we couldn't be because we were so desperate to protect her. Kimberley just told her the truth about what was going to happen but in a positive, upbeat way which meant that Mali trusted her completely and could relax in her company. Treatment was understandably scary for Mali during that year but Kimberley always found a way to make it fun, whether by turning the dreaded chemotherapy stand in to her favourite Disney character or creating a countdown chart which Mali couldn't wait to tick off at the end of each treatment."**

After a year of chemotherapy, Mali got to ring the end of treatment bell in January, wearing a t-shirt that said **"Today I graduate from superhero school."** As with any trip to Noah's Ark, Mali was most excited about seeing Kimberley, her constant hospital companion.

Sam says that she's a big believer that everything happens for a reason and thinks the reason for Mali's illness was to bring Kimberley in to her life.





Festive Fridays and Hub club

During December, we ran a series of 'Festive Fridays' to provide parents with a bit of TLC in the lead up to Christmas. We held coffee mornings on each of the wards, each offering parents a range of pamper sessions from reflexology and reiki to gel nail. Mum, Karen Wyatt, who was staying on PICU with her daughter before Christmas, said following a reflexology treatment on a Festive Friday **"What a lovely unexpected surprise, perfect therapy for stress relief; an absolute treat."**

As a result of Festive Fridays' success, the charity now has plans to set up the Hub Club in 2019. These weekly sessions will provide more fun treats for patients, their siblings and parents during their stay in the form of therapy dog visits, arts and crafts and pamper sessions.

Emergency parent packs

Following our successful trial of emergency parent packs we have continued to provide hundreds of emergency packs for parents and carers who had little or no notice that their child would be admitted in an emergency.

Owl ward parent and carer support

With your support, the Noah's Ark Charity was able to fund facilities that allow families to enjoy as much time as they can together during hospital stays.

This includes pull down beds on Owl ward, so that parents like Georgy can get a good night's sleep while also being right there next to their children should they be needed for some words of reassurance and comfort during the night.

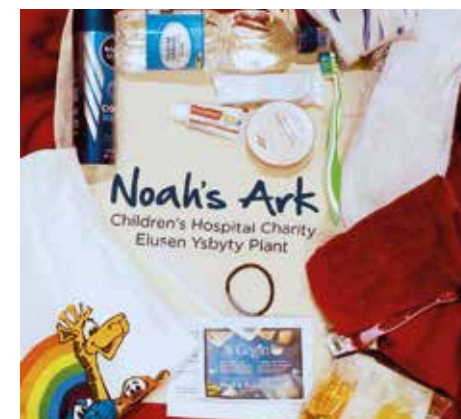
£15,232

Support for parents in neonatal

Our Tiny Lives Appeal for the NICU didn't just pay for life-saving equipment. We provided chairs for the waiting rooms, breast pumps, and comfortable chairs next to cots for parents who spend long days watching their babies. Mummy cams ensured that mothers who were themselves too unwell after giving birth could watch their baby from their own hospital bed. We furnished overnight rooms so a family could spend a night together to ensure confidence before discharge.

We also funded the beautiful, calm artwork and decorating scheme around the whole unit with restful colours that help ease anxiety. The special material used can withstand cleaning to the most sterile of standards.

£66,553



Dignity gowns for surgical patients

Children are admitted to Gwdihw ward for a variety of surgical procedures, often requiring multiple lines. Adult surgical gowns are undignified for older children and unsuitable for younger patients. The colourful new gowns allow access only to the part of the child that needs to be seen by the medical team.

£4,248

Beads of courage

As a charity, it's important to us that while supporting the big things that improve medical outcomes, we also remember the children and families at the centre of it all. That's why, this year we approved the funding of a Beads of Courage programme for young cardiology patients.

£5,000

Elisha's story

14-year-old Elisha from Swansea spent last Christmas and New Year in hospital having been diagnosed with Pericardial effusion (fluid around the lung), pneumonia, a chest infection and a partially collapsed lung.

Elisha first arrived on Pelican, the cardiac and renal ward, on the 17th of December having been transferred by air ambulance from her local hospital. She was immediately put on a course of antibiotics but repeat echo scans showed that the level of fluid around her heart was still dangerously high.

Finally, after weeks of blood tests, scans and trying different medical options, the team finally struck on a combination that worked and thankfully from that point, she made a gradual but steady recovery.

Elisha spent six weeks in hospital in all and during that time underwent many procedures. Early on in her stay, play specialist, Sue introduced her to the new beads of courage programme so each time Elisha had a test, scan or X-Ray she would receive a particular bead. She also received a bead for each night she spent in hospital.

Elisha says: "The beads made being in hospital more fun. I had so many of them by the end that I couldn't fit any more on and I was given a special bead when I hit a hundred blood tests. Now I'm home it's like the story of what happened and it makes me feel proud that I got through it."

Mum, Michelle, says: "I think Beads of Courage is a great idea. Elisha went through so much during that time but her main memory is of doing the beads. It sparked her interest at the time and when she went back to school she took her beads in and explained what each one was for. It's become a way for her to explain what happened to her."



Virtual reality technology

We set aside money to fund Virtual Reality technology to distract children in the Emergency Department when undergoing complex and painful procedures. The equipment will be delivered in 2019.

Patients will be able to travel around the cities of the world, swim under the oceans, and come face to face with the animal kingdom and relax in some of the most beautiful settings in the world all from the healthcare institution.

£3,000



Sparkle fund

As well as funding equipment, direct patient care and family support we have introduced a Sparkle Fund which brings joy and respite to patients at the hospital. This could consist of a family trip away from the hospital, a special visit from a favourite film character or a special birthday treat. The Noah's Ark Charity is here for all patients and if we can bring sparkle into difficult times then we are proud to give our support.

Supporting capital development projects

Helping tiny people fight big battles.



The 25th of December 2018 was a particularly magical one for us because, exactly 25 months on from launching our £1 million **TINY LIVES APPEAL**, we announced that the target had been hit! Even better was that the generosity of our supporters was already being put to good use, funding state of the art equipment that was helping to save tiny lives.

In early November, with £125,000 still to raise, we launched the last phase of our appeal in conjunction with the South Wales Echo, with the focus on raising money for an emotional support service for parents. The fundraising was given a huge boost during The Big Give Christmas Challenge at the end of that month when every donation made to the appeal was doubled, raising a staggering £69,850 in just one week. Visitors to our Christmas Grotto helped us creep further towards our target throughout December, while schools and businesses also played their part by holding Christmas Jumper Days in aid of the appeal. Proceeds from The Welsh Hospital Choir Concert in St David's Hall on 12th of December were also donated to the appeal, while the Lord Mayor continued to work tirelessly right up to Christmas week hosting a series of events.

Then on Christmas Day itself we let some little NICU patients, whose stories we have told over the last two years, announce the big news. You can see their thank you video to you all by visiting www.noahsarkcharity.org/tinylives

Over the past two years we've had the honour of working with some incredible people. There's the NICU staff, otherwise known by parents as 'angels in scrubs' for no small reason, the parents themselves who show such dedication and resilience in tremendously difficult circumstances and of course the babies, all amazing little characters in their own right.

You, our supporters, have taken the Tiny Lives cause to your hearts and worked tirelessly to raise this amazing sum of money.

As with the rest of the children's hospital, there are always new innovations in the advancement of neonatal care. We also want to ensure that we can continue to support new parents in whatever way we can. So now that the initial £1 million target has been hit, Tiny Lives will become a fund so that we can continue so support the NICU as it develops and grows.

THEO'S STORY

Theo is six months old. He's currently a new resident on Island ward and as much as his mum and dad think it's a great place, like any parents, they're very much hoping that Theo won't be there for long. Theo's mum and dad have a bigger reason than most to want to take their baby home though. Because it's a place where, despite him being more than half a year old, he's never been.

Theo's doing really well now but there were times when Hayley and Mark were facing the very real prospect that they may never leave the intensive care unit yet along the hospital with their baby.

The neonatal emotional support service

We raised enough money to also fund new emotional support service for parents on the NICU for two years. The service will help families to process the trauma of their experiences and hopefully reduce the prospect of long term damage to their emotional wellbeing. It will also provide support to those nurses and doctors who give their all in caring for their tiny patients.

We look forward to seeing this service get up and running in 2019.

Baby Theo Eastment wasn't due until the 20th of June this year so when his mum, Hayley woke up with pains on a snowy morning in March, it didn't even occur to her that she could be in labour as she was only 26 weeks pregnant.

After a few hours, the pain wasn't going away, and as they seemed to be coming and going regularly like contractions, Hayley and Mark decided to get checked at the hospital. They were given reassurance that Hayley was probably just experiencing normal pregnancy pains but while waiting to be discharged her water's broke. The ward staff injected Hayley with the steroids usually given to a woman in premature labour to protect the baby's lungs and brain, but it was too late. Theo was born 20 minutes later, more than 13 weeks early and weighing a tiny 880g.

Hayley says: **"I was in complete shock for those first few minutes and absolutely convinced that Theo wouldn't be alive. I hadn't been pregnant for long enough to go to classes or learn much about giving birth and what to expect after having a baby and there had been no time for any of the neonatal team to come and talk to us."**

All I had to go on were the episodes of One Born Every Minute I'd watched and from that I knew that babies usually cry when they come out. When he did give out a little cry, it gave me hope. I could only see him briefly before they took him away and I remember feeling terrified at what lay ahead of him. The thought of him feeling pain and discomfort and being apart from us was awful."

"We were allowed to go and see Theo on the NICU a few hours later and even though I was still in shock and distraught at the situation, I can remember thinking when we walked in how incredible the place was. I had no idea it existed!"

"Theo looked more like a foetus than a baby when we first saw him. His skin was red and he was about the length of my forearm. His eyes were still fused shut. The nurse talked us through all the lines that were going into him and monitoring him. At this point nobody had given us any information about his chances of survival, and so we clung onto hope that there was a chance. The nurse told us that he was one of the first babies to use the brand new incubators called Baby Leo and that we could choose the colour of the light inside if we wanted to. I know it might sound silly but, as it turned out, something as small as changing the colour of the lights and having his name on the screen was the closest we got to choosing an outfit for him for a really long time."





Hayley and Mark were told that Theo's condition was stable and to go to get some rest. Hayley remembers them both crying together all night as the gravity of the situation hit them. She says: **"I just felt so guilty. I kept thinking that it was my fault and that I must have done something wrong. I kept apologising to Mark that I hadn't been able to keep Theo safe where he should have been. I felt like I'd failed them both."**

Theo's condition remained stable for a few days and he started to open his eyes and move a little more. On the fourth day the medical team tried Theo on a slightly less invasive form of breathing support called BiPAP. But after only a few hours he began to struggle and he was put back on the ventilator. On the same day, Hayley and Mark were given the devastating news that a bleed on Theo's brain which had originally been classed as low risk, was in fact a level four – the most severe grade bleed possible and that, if any swelling developed he would need emergency brain surgery. If Theo survived, it was also very likely that he would develop some form of disability as a result.

But as the hours progressed, it was Theo's lungs that became the biggest cause for concern. Theo's oxygen dependency increased rapidly until not even the ventilator could support his needs anymore. The only option was to transfer Theo to an oscillator – a high frequency form of ventilation that keeps the lungs permanently open. But, still, despite receiving 100% oxygen, the levels in his blood struggled to stay at 90.

Hayley says: **"The doctors told us that they were extremely worried and because Theo wasn't improving with even the highest possible type of support, the only option left was to try steroids. Most babies born early are given the best chance of survival through being given steroids and other drugs before delivery, to help the foetus mature but Theo was struggling because he didn't get them in time. This was very frustrating for us and we were so grateful for the neonatal team for trying everything they could in a very difficult situation. We are eternally grateful for the amazing care they gave Theo and us during his stay on the unit."**

Thankfully the new course of steroids started to work and over the next week, Theo improved and on the 16th day Hayley was able to hold her son for the very first time. Mark had his first cwtch the following day but as he was still holding him, Theo's alarms went off and his levels plummeted.

Mark says: **"Don't panic unless we panic is a common phrase used on the intensive care unit and it's usually reassuring. But on that day, we all panicked. The whole crash team were there in seconds to intubate Theo and put him back on the ventilator again, it was clear how shaken up Theo's nurse had been."**

She said that his little body had given everything in those few moments to stay alive."

Over the next few hours Theo's condition, despite the ventilator and steroids, continued to deteriorate. The only option left was a stronger steroid that carried a risk of further brain damage.

Mark says: **"We were basically being given two options – a high risk of long term disability or death. Theo was showing so much fight and determination to be here so we had to support the neonatal team in doing everything they could. If he wasn't giving up, neither were we."**

Theo was started on the new course of steroids and placed back on the oscillator on 100% oxygen.

Hayley says: **"That night was devastating. We were in bits. We sat there for hours watching that monitor beeping, willing for his blood oxygen levels to rise, but not once did they go above 89%."**

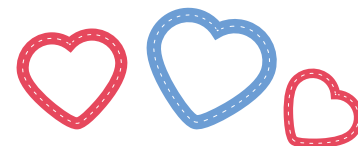
In the early hours we were persuaded by the registrar to get some rest. Thankfully by the morning it was good news. Theo had started to stabilise and it seemed that the steroids had started to kick in just in time. We were so relieved, but the reality of how close he was to death has haunted us ever since."

But despite the progress Theo had made, he was by no means out of the woods. Each attempt to reduce his dose of steroids failed, he was still on intensive care 13 weeks on and Hayley and Mark were warned that if Theo's lungs didn't grow, within a few months there would be nothing more that could be done for him.

Hayley says: **"We kept being told that he 'just needs to grow', but he was growing beautifully, tolerating breastmilk really well, and it was frustrating because despite him appearing to grow stronger from the outside, we knew that his lungs weren't catching up and he was still very weak."**

Just before what would have been his due date, Theo had to undergo an operation to correct a condition called ROP (Retinopathy of Prematurity) which can cause blindness in very premature babies. Despite returning to the ventilator for a short while after his eye operation, he was doing well and moved quickly down the stages of ventilation.

Mark says **"Theo was getting stronger and more aware by now and he hated having the mask and prongs on his face. He constantly tried pulling them off and we sat there all day putting them back on his face so that he could have the oxygen he desperately needed."**



But by his due date he was stable enough to move to a nasal cannula It got to the point where he was close enough in stability to try him on High Flow, which was a nasal cannula which made him instantly more comfortable. We were so excited to see more of his face and to start seeing some progress."

After more than 100 days on intensive care, Theo graduated to the high dependency unit. But a month later Hayley and Mark were told that an investigation to check on the severity of his reflux had uncovered a different unrelated issue. Theo had a problem with his intestine that, though nothing to do with his prematurity, was potentially lethal. He was being rushed to surgery immediately.

Hayley says: **"Thankfully the operation was a success but afterwards we had to go back to intensive care. Theo had been close to death so many times while we were on that part of the unit but we'd blocked it out to move forward."**

Going back felt like having post-traumatic stress, hearing all the machine noises, and I found it very difficult to deal with. We were there for another week while Theo recovered from his operation and that whole time I felt sick and anxious."

As it turned out, the operation on Theo's intestine was more of a success than anyone could have hoped because after that, for no fathomable reason, his breathing became easier too.

At nearly six months old, and now affectionately known as the Granddad of the NICU, Theo moved on to Island ward at the children's hospital where he surprised everyone by graduating quickly on to the lowest form of ventilation called low flow. This was the best news possible for Hayley and Mark because it meant that Theo's lungs were growing and developing – the vital information that they've been longing to hear.

On 20th September, just over 6 months after Hayley and Mark arrived at hospital for a check, they finally got to take their baby home. But after only nine days Theo became unwell with blocked bowel caused by scar tissue from his first surgery.

Hayley says **"Being back in hospital was devastating. It felt so unfair that Theo was being dealt this hand in life. All we wanted was to be at home as a family and keep him protected. We were so worried about the surgery as we knew that it would mean that Theo might have a long recovery and that he would need to go back onto the ventilator. We were worried that he might struggle to get off it, as had happened before."**

Surgery was a success and Theo was admitted to PICU on the ventilator whilst he recovered. Hayley and Mark were told that he was stable and that they would try to get him off the ventilator the following day. But for no known reason, Theo deteriorated rapidly.

Hayley says **"We so were relieved that the operation had gone well and were pleased to know that we might be going home in a few days. But only 12 hours later we were told that his body was reacting very badly to something and they couldn't understand why his lungs needed so much support."**

Two days after the surgery, at 3.30am, Hayley and Mark received the phone call telling them to go to PICU immediately.

Hayley says **"We ran. We didn't know what had happened but we know from experience that this call is never good. I was hysterical crying, running, not knowing what I would find when we got there. When we got there we saw about 20 people around Theo's bedside performing CPR. It was the most horrific thing I have ever seen and it will haunt me for the rest of my life – seeing my baby white and lifeless knowing that he might not come back around. A doctor told us they had already been doing it for 15 minutes with no success. I pleaded for them to try everything and for Theo to come back."**

After 25 minutes Theo's heart started beating again, but he was in a very serious condition. Hayley and Mark were told that Theo had received CPR for a very long time meaning that his brain may have been starved of oxygen and that there was a very high chance of him being brain dead.

Mark says **"We had to sit next to him not knowing if he was the same boy we brought into hospital, or if he was alive at all. Every day they would turn off his paralysis for a few hours to see if he moved and responded. The first time they turned it off I kissed his ear and he moved his head away from me, which he always does, and that gave me so much hope. I just knew that he knew we were there."**

Day by day Theo made a miraculous recovery and within only 10 days he was back on low flow, awake, smiling, laughing and back to himself. It took a further two weeks to successfully wean him off all his sedation and Hayley and Mark were finally able to take their son home again on 26th October, where he continues to thrive.





Medical equipment and direct patient care

In 2018 we spent £1,109,059

Neonatal

Baby Leo incubator

During his time on the NICU, baby Theo benefited from several pieces of equipment funded by the Tiny Lives Appeal.

Theo was among the first to use a Baby Leo, a state of the art incubator reserved for the most critically unwell babies. The incubator has a range of features including inbuilt weighing scales, a special heating system that maintains temperature at all times and a mechanism that allows the baby's bed to be pulled out so that parents are able to be close to their babies without them having to be moved.

Hayley says: “**Theo was so sick at times that no-one, not even the medical team were able to move him unless absolutely necessary. Taking him out to weigh him at those critical times was not an option which is by no means ideal for a premature baby like him because their food and most vitally medication is measured to their exact weight. Without the inbuilt scales it would have been so much harder to get everything accurate.**

We could also personalise his incubator with the digital screen and choose colour sequences inside the incubator for him. I know it might not sound like much but it's the closest we came to choosing an outfit for him for a very long time.”

£24,477

DR x-ray machine - £119,833

Babies like Theo have to undergo countless X-Rays to check on their major organs but more frequently to make sure that a line or tube carrying vital oxygen, medicine or food has been inserted properly in to tiny veins and airways. The unit's new DR X Ray Machine, funded as part of the Tiny Lives Appeal allows X-Ray images to be taken without moving a baby and gives instant results digitally where previously, an image may have taken up to 20 minutes to process. For critically ill babies, each second is vital.

Hayley says: "I can't even remember the amount of times that Theo had an X-Ray on the unit. The medical team had to move or change his tubes frequently and every time they did that there was a need to check that they were in exactly the right place. Each time Theo was moved his oxygen requirements went through the roof so if they'd had to move him each time he needed an X-Ray things would have been a whole lot harder. There were points where Theo had to be intubated that he would have been seconds from death. Having the results from the X-Rays appear instantly most probably saved his life more than once."

Invasive ventilator - £27,000

The Tiny Lives Appeal is also funding a state of the art ventilator, which administers all types of respiratory support via one device, from the highest to the most minimal. This means that a vulnerable baby reliant on ventilation to survive like Theo will not need to be removed from one machine and re-attached to another - reducing risk, stress and the possibility of infection. It also means that a baby who suddenly starts to struggle, can be switched to higher levels of ventilation quickly and with very little disruption so that their tiny bodies are able to use their energy to grow and gain strength.

Pump stacks - £11,165

The new pump docking station significantly reduces the amount of equipment and cables around a baby by neatly stacking the devices that administer the medication together on one single unit. This makes the area around the incubator a little less clinical for parents and allows them to get as close as possible to their baby.

It performs an important functional role too, helping to prevent potentially dangerous infection by improving hygiene around the incubator. Vitally, it also means that in an emergency situation, where a baby may need to be resuscitated, the medical team can gain access to the baby quicker, saving precious time.

Echo machine - £110,682

This vital non-invasive piece of diagnostic equipment is used to perform an ultrasound examination of a baby's heart; it produces moving pictures which represent the heart walls and valves. Moving blood cells inside the heart are represented by colours that show the direction and the speed of the blood flowing through the heart. The pictures enable clinicians to detect and diagnose issues.





Whole hospital

Paediatric clinical assessment unit

You helped us to keep the children's assessment unit open every night, making it possible for patients to be treated, monitored and then often discharged without a hospital admission. The unit also offers an open access service for children with chronic conditions so that they can come to receive immediate medical attention without the need for a referral or a trip to A&E.

£268,000

OCT scanner - £185,398

Funding was provided to purchase an Optical Coherence tomography (OCT) scanner which uses a laser to scan the optic nerve and retina to identify subtle changes not visible to naked eye.

Non-invasive ventilation equipment - £13,485

We provided funding to the paediatric intensive care unit for non-invasive ventilation equipment that helps children and babies with respiratory problems to breathe.

Optiflow respiratory equipment - £8,910

This is a non-invasive device which warms and humidifies high flow nasal cannula air/oxygen blends which are delivered to the patient.

The warmth and high humidity mean that the very high nasal flows can be tolerated. Heat and humidity prevents airway water-loss, airway cooling, thickened secretions, nasal irritation and bleeding. The Optiflow allows delivery of breathing gases heated to body temperature at 100% relative humidity through nasal cannula from 0.3lpm-8lpm without airway drying or cooling.

Accuvein - £5,100

This equipment helps to visualise difficult veins in small children, those who have undergone many procedures before, or who have dark skin or birthmarks hiding the veins. An infrared technology light identifies the position of the vein for blood tests.

This will benefit 200 children every year.

Island ward central monitors - £13,263

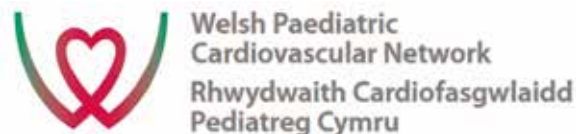
Central monitor stations provide additional monitoring needed to maintain high safety standards for children with cardiac, respiratory and neurological conditions. The monitors are capable of assessing blood pressure, ECG and respiratory function and are stationed at the central nursing point.



Staff and professional development

In 2018 we spent £9,358

We continue to sponsor the Welsh Paediatric Cardiovascular Network and the Welsh Fetal Cardiovascular Network, supporting their conferences and the development of a new website that will be a great professional resource.



We funded a new simulation manikin that enables the Paediatric Emergency Unit team to run valuable training days with a manikin of child size. This in turns helps staff prepare for multiple scenarios which could take place at any time. With the extra manikin, an increased number of staff from all areas of the children's hospital can be trained. We also funded two other manikins, one to be used in general training for nasogastric tube insertion and PrematureAnne which is of realistic pre-term size and will be used to provide training for neonatal clinical staff and increase awareness of sepsis on the NICU and its early clinical signs.



Staff hampers

At Christmas we don't just remember the patients and their families and carers. We spare a thought for the hard-working staff who are on duty over the festive period and provide a hamper full of food treats on every ward to say a small thank you.

Staff ball

The inaugural Noah's Ark Children's Hospital Staff Ball was held just before Christmas where the Noah's Ark team joined staff from across the hospital to enjoy a night out knowing that all money raised would be ploughed back in to our grant making scheme to support the hospital.

Awards

We were thrilled to be a sponsor at the Women and Children's Clinical Board Staff Awards. We love to see the amazing staff being recognised.



Innovation

In 2018 we spent £25,934

Clinical research unit - £25,434

We provided support to the newly established Clinical Research Facility based at the Noah's Ark Children's Hospital for Wales. We approved funding of £25,434 of which £7,500 has been drawn down in 2018 for a thermos electro freezer.

Mental health

Back on your feet packs - £500

During 2018, we helped young people in crisis get back on their feet after an admission to hospital by funding 'back on your feet' packs which contain essentials like a change of clothes and toiletries.

Mental health nurse, Adele Watkins, is a huge advocate of the packs. She says: **"When young people are admitted in a hurry needing mental health support, they sometimes only come in the clothes they're wearing. Having a few home comforts makes all the difference to those who are feeling low. The look on the faces of young people when you hand them the pack says it all. They don't expect or ask for anything but to know someone cares makes such a difference."**

One mum told us: **"We didn't expect that we'd have to stay in hospital today. My daughter was feeling scruffy and really wanted a change of clothes. We spoke to our nurse and she came back with a bag of items that my daughter really needed and it's totally made her day and mine too. It made a difficult day much brighter."**

"We'd like to say thank you so so much for this. It really means a lot and a lot of families will really appreciate it."

Helping children and young people cope with chronic conditions - £1,000

The mental health of children and young people is a growing area of focus for Noah's Ark as awareness of the issue and the impact that emotional wellbeing can have on physical health continues to rise.

Many of the young patients cared for by the children's hospital suffer from chronic conditions like epilepsy, asthma, continence issues, heart conditions and allergies. Each of these can have a significant and often permanent impact on a child's everyday life, causing them to feel anxious about the future, worried about potential treatment or sad because they feel different to their peers.

We have agreed to fund anxiety workshops called 'Cope cakes' that will be delivered by the hospital's psychology team, the workshops are designed to help children and carers develop coping strategies that help them to process and accept their feelings, while at the same time providing them with distraction techniques that engage the senses and as a result, reduce the physical feelings of anxiety.



Our heartfelt thanks to all our supporters and volunteers who make our work possible.

Below are some of the companies, organisations and individuals who made substantial contributions in 2018.



Promoting Independence and the Barrow Family

A & S Manuel

A Jenkins

Bag it Up

Beauty with a Purpose

Cardiff Council

**Chepstow Plant International Ltd
and Eddie Hayward and Family**

Dame Shirley Bassey DBE

Dolmans Solicitors

Enterprise Rent-a-Car

Giovanni's

Ikea

IRG

John Charles Rees QC

Karen Clatworthy and Sandra Owen

Laura Williams

Marks & Spencers, Culverhouse Cross

Marlborough Information Services and Jan Telensky

Peter Evans

Primark

S A Allsworth

Services Machinery and Trucks Ltd

Tesco

The Echo Trust

The Entertainer

The former Lord Mayor of Cardiff, Cllr Dianne Rees JP

The late Constance L Tomlinson

The late Eric John Lloyd

The late Lilian Lorraine Paterson

The late Mair Jones Griffiths

The late Roy Evans

The late Thomas Tough

Wooden Spoon Society

Financial review

The Trustees are pleased that income for the year again exceeded £1m at £1,447,459.

Total funds of £1,279,862 (charity £1,275,844) were held at the end of year, of which £318,288 were restricted and £961,574 (charity £957,556) were unrestricted.

The Trustees have designated £445,014 towards future costs of the hospital. General reserves stood at £516,560 (charity £512,542) at the year end.

During the year expenditure on charitable activities increased from £1.1m in 2017 to £1.9m. Grants awarded towards hospital equipment has increased by £731K, this includes hospital grants approved in 2018 and included as creditors at the year-end of £506K (2017: £94K). The majority of this increase (£692,922) in particular relates to the NICU ("Tiny Lives Appeal").

Restricted funding has been received and built up in the previous years for this unit and the overall fund balance has decreased from £600,008 in 2017 to £238,765 in 2018 due to the increased level of grants awarded.

This fund is expended based on the funding requests received and approved by the board.

Reserves policy

The trustees consider, and during the year re-affirmed, that general reserves should not fall below £500,000 to cover estimated annual operational costs, with some contingency to allow the trustees to respond to urgent charitable requirements which may arise.

The general reserve exceeds this at the year-end at £516,560 for the group and £512,542 for the charity only.

Plans for Future Periods

Our charity aims in 2019

we will...

- Invest in technology to underpin our fundraising activities.
- Create a new website in 2019 that will make it easier for users to navigate and be able to create user fundraising pages to be able to raise sponsorship.
- Analyse and improve our current supporter journey. We want to make everyone who helps us to feel valued and part of our Noah's Ark Family.
- Retain the wonderful support of our donors and volunteers and seek opportunities for development.
- Work hard to hit our fundraising target which will mean further growth and further income to support our wonderful national hospital. We must balance our income between our commitments, new projects on the horizon and building up unrestricted funds so that we may react quickly to a need at the hospital.
- Be open to new ideas and innovation in fundraising.
- Carry on supporting pioneering medical equipment, community services and capital development projects through our and your fundraising.
- Keep patients smiling through difficult times through our Sparkle Fund.
- Help parents and carers through our emergency parent packs and coffee mornings.
- Keep the hospital staff happy by supporting their wellbeing and their professional development.
- Look after our small and wonderful charity team.
- Continue working closely with the health board on potentially amazing new projects.

What's in the pipeline

- The redevelopment of areas of Phase one of the children's hospital which were opened 13 years ago. The needs of the patients and the hospital have changed in this time. The redevelopment will include the creation of new facilities for patients undergoing neuro-rehabilitation and for those admitted in crisis with mental health difficulties.

Structure, governance and management

The organisation has two separate limited companies within its group. The parent company, Noah's Ark Children's Hospital Limited, is a charitable company limited by guarantee and as such is governed by a Memorandum and Articles of Association.

The company was incorporated on 29 December 1997 under the Companies Act 1985 and registered as a charity on 11 May 1998. The charity's name was formally changed with the Charity Commission on 22 August 2012 and Companies House on 18 March 2013.

The Noah's Ark Children's Hospital Charity has a Board of Trustees who are both Trustees and Directors of the charitable company as required by company law.

The charity's wholly owned subsidiary, Noah's Ark Appeal Limited, is a limited company, company number 04656756, incorporated 5 February 2003, but which has been dormant for a number of years. During the year ended 31 December 2018 the activities of the shop in the foyer of the hospital have been transferred from the charity into the trading subsidiary and, as such, consolidated accounts have been prepared. The registered address is the same as that of the parent charity.

The directors of the subsidiary are Edward Hayward, who is also a trustee of the charity, and Suzanne Mainwaring, the charity's managing director.

Recruitment and appointment of new Trustees

Trustees are appointed, by majority vote, at the Annual General Meeting, for their expertise, profile and specialist skills in adding value to our charitable and fundraising activities.

Trustee induction, training and organisational structure

Trustee Induction and Training is the responsibility of the Chair and the Director. New trustees will be issued with a set of documents to help them become more familiar with the charity and which should include governing documents, the previous years audited accounts, information on the management structures and all relevant health and safety information. These can then be discussed at meetings with the Chair and Director.

The Trustees meet quarterly to review progress against strategic plans. Some of the Trustees also sit on separate Finance and Fundraising Groups. An AGM is called annually. The Trustees also meet monthly to discuss fundraising and general business.

The Director is responsible for the strategic plan and the day to day operation of the charity and attends the finance, fundraising and trustee meetings where a full brief is given to Trustees.

The Trustees are unremunerated. Expenses are reimbursed where claimed.

Our people

Our staff team at the end of 2018 numbered ten. Two members of the team are employed directly by the charity and the remaining eight are employed by Cardiff and Vale UHB. Contracts for these eight staff are held by Cardiff and Vale UHB with a recharge made to the charity for the costs incurred solely in relation to the charity's activities. Pay scales, personal development review systems and incremental rises are all set by the NHS at a UK wide level and adhered to by the charity for any permanent staff.

We are indebted to our volunteers who donated an incredible 1964 hours in 2018. They are an essential part of our charity and we thank each and every one for the diverse ways in which they are involved.

Our fundraising in practice

It is our plan to grow organically in line with income growth. We are mindful about our aim to keep our costs to a minimum so that 80p in the £1 raised can be spent on direct services.

With the increasing volume of work it has been essential to strengthen our resources; the additional investment has been essential if we are to be able to support the hospital even more fully in future years.

It is an aim over the next few years to develop a Charitable Fundraising Board and recruit members who can play a key role in helping the charity achieve its fundraising objectives and to use its contacts and influence to cultivate and solicit support from individuals and companies that may otherwise be beyond the reach of the fundraising team.

The members of this board will serve as ambassadors for the charity raising awareness and identifying new opportunities for fundraising and engagement.

Risk management

All policies and procedures are subject to annual review to identify and minimise risk across all areas.

Investment policy

The Noah's Ark Children's Hospital Charity exercises great caution with the funds we receive. Assets are held in cash with funds invested at fixed rates on the London Money Market or on fixed term deposits, all with major British financial institutions. No funds are invested on the Stock Market.

Disclosure

Each Trustee and other Persons of Influence within or linked to the Noah's Ark Children's Hospital Charity are required to formally disclose any outside business interests to ensure there is no conflict of interest.

At the Noah's Ark Charity, our supporters are at the heart of everything that we can achieve for the hospital and the many thousands of patients that receive specialist care here each year.

For every £1 raised by our supporters, we aim to spend a minimum of 80p in every £1 directly on the needs of the hospital.

We have a robust system for tracking and processing the income we receive.

We were delighted to learn that in the 2019 NFP charity awareness survey in Wales we are widely regarded as a trusted charity. Happily this echoes the positive feedback received from a survey of our own supporters in the summer of 2018. Our reputation for integrity and delivering on our promises is something that we strive fiercely to uphold.

We have long standing and meaningful relationship with many of our supporters and are grateful to those who give their valued support in many different ways.

We respect and protect the privacy of our supporters and rely on consent and legitimate interest in all our communication. We do not sell or share donor data.

We are committed to achieving the highest standards in our fundraising and are signed up to the Fundraising Regulator and its Code of Fundraising Practice.

We are confident that our people are delivering ethical fundraising through training and ongoing monitoring.

We do not work with third party fundraisers but have fundraising contracts in place with commercial participators and data processors.

We are very fortunate to have the great support of people and organisations fundraising for us in their communities. We provide the support they need to keep their activities safe and legal and obtain a fundraising agreement where we know of such activities so the public can be reassured that the activity is authorised.

We adhere to the policies of our partner Cardiff and Vale Health Board which include our commitment to the All Wales NHS Policy safeguarding children and vulnerable people. We have incorporated the values and behaviours of Cardiff and Vale Health Board and expect all our employees to hold these core values and exhibit core behaviours.

We are currently conducting a review of our internal processes and policies to test that they remain robust and to improve effectiveness and efficiency wherever possible.

We are pleased to report that the Noah's Ark Charity received no formal complaints in 2018.

Trustees' responsibilities statement

The trustees, who are also directors for the purposes of company law, are responsible for preparing the trustees' report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the applicable Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:


- so far as they are aware, there is no relevant audit information of which the group and parent charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the group and parent charity's auditor is aware of that information.


The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on 18 September 2019 and signed on behalf of the board of trustees by:


.....Trustee


.....Name

Independent auditors report to the members of Noah's Ark Children's Hospital Charity

Year ended 31 December 2018

Opinion

We have audited the group financial statements of Noah's Ark Children's Hospital Charity (the 'group') for the year ended 31 December 2018 which comprise the consolidated statement of financial activities (including income and expenditure account), the consolidated statement of financial position, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group company's affairs as at 31 December 2018 and of its incoming resources and application of resources, including income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditors report to the members of Noah's Ark Children's Hospital Charity (continued.)

Year ended 31 December 2018

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors for the purposes of company law) are responsible for the preparation of the group financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of group financial statements that are free from material misstatement, whether due to fraud or error.

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

Independent auditors report to the members of Noah's Ark Children's Hospital Charity (continued)

Year ended 31 December 2018

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the group financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.

- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the group financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the group financial statements, including the disclosures, and whether the group financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the group financial statements.
We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditors report to the members of Noah's Ark Children's Hospital Charity (continued)

Year ended 31 December 2018

Use of our report

This report is made solely to the charity's member, 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 charity's member 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 charity and the charity's member as a body, for our audit work, for this report, or for the opinions we have formed.

Other matters

We have reported separately on the parent charity financial statements of Noah's Ark Children's Hospital Charity for the year ended 31 December 2018.



Farzana Ahmed (Senior Statutory Auditor)
For and on behalf of
Carston
Chartered Accountants and statutory auditor

26 September 2019

1st Floor, Tudor House
16 Cathedral Road
Cardiff
CF11 9LJ

Consolidated statement of financial activities

(including income and expenditure account)

Year ended 31 December 2018

				2018	2017
		Unrestricted funds	Restricted funds	Total funds	Total funds
	Note	£	£	£	£
Income and endowments					
Donations and legacies	5	1,008,054	367,710	1,375,764	1,243,157
Other trading activities	6	64,852	2,692	67,544	39,567
Investment income	8	4,151	–	4,151	4,638
Total income		1,077,057	370,402	1,447,459	1,287,362
Expenditure					
Expenditure on raising funds:					
Cost of raising donations and legacies	9	271,338	–	271,338	234,528
Costs of other trading activities	10	29,255	–	29,255	13,012
Expenditure on charitable activities	11, 12	1,167,070	696,416	1,863,486	1,113,701
Other expenditure	14	–	–	–	6
Taxation	15	888	–	888	–
Total expenditure		1,468,551	696,416	2,164,967	1,361,247
Net expenditure		(391,494)	(326,014)	(717,508)	(73,885)
Transfers between funds		13,160	(13,160)	–	–
Net movement in funds		(378,334)	(339,174)	(717,508)	(73,885)
Reconciliation of funds					
Total funds brought forward		1,339,908	657,462	1,997,371	2,071,255
Total funds carried forward		961,574	318,288	1,279,862	1,997,370

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities. The notes on pages 42 to 65 form part of these financial statements.


Consolidated statements of financial position

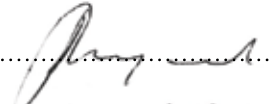
31 December 2018

31 December 2018

		2018	2017
	Note	Group £	Charity £
Group and Charity £			
Fixed assets			
Tangible fixed assets	21	4,934	4,701
Investments	22	–	2
		4,934	4,703
Current assets			
Stocks	23	15,938	10,607
Debtors	24	176,826	193,086
Cash at bank and in hand		1,676,348	1,657,019
		1,869,112	1,860,712
Creditors: amounts falling due within one year	25	(594,184)	(589,571)
Net current assets		1,274,929	1,271,141
Total assets less current liabilities		1,279,862	1,275,844
Net assets		1,279,862	1,275,844
Funds of the charity			
Unrestricted funds			
Parent Charity		957,556	957,556
Subsidiary		4,018	–
Total unrestricted funds		961,574	957,556
Restricted funds		318,288	318,288
Total charity funds	27	1,279,862	1,275,844

The trustees have prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011. These financial statements were approved by the board of trustees and authorised for issue on 18 September 2019, and are signed on behalf of the board by:


..... Trustee
E. A. HAYWARD
..... Name


..... Trustee
J. A. HAYWARD
..... Name

Consolidated statement of cash flows

Year ended 31 December 2018

	2018 £	2017 £
Cash flows from operating activities		
Net expenditure	(717,508)	(73,884)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,723	1,714
Other interest receivable and similar income	(4,151)	(4,638)
Loss on disposal of tangible fixed assets	–	6
Taxation	888	–
Accrued income	(89,220)	(73,162)
Other operating cash flow adjustment	1	–
<i>Changes in:</i>		
Stocks	(11,744)	(4,194)
Trade and other creditors	424,669	(39,226)
Cash generated from operations	(395,342)	(193,384)
Interest received	4,454	11,388
Net cash used in operating activities	(390,888)	(181,996)
Cash flows from investing activities		
Purchase of tangible assets	(2,534)	(3,083)
Net cash used in investing activities	(2,534)	(3,083)
Net decrease in cash and cash equivalents	(393,422)	(185,079)
Cash and cash equivalents at beginning of year	2,069,771	2,254,850
Cash and cash equivalents at end of year	1,676,349	2,069,771

The notes on pages 42 to 65 form part of these financial statements.

Notes to the consolidated financial statements

Year ended 31 December 2018

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Upper Ground Floor, Noah's Ark Children's Hospital, for Wales, Heath Park, Cardiff, CF14 4XW.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Companies Act 2006, as well as applicable charity and company law.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis.

The financial statements are prepared in sterling, which is the functional currency of the entity. Monetary amounts are rounded to the nearest £.

Basis of consolidation

These consolidated financial statements include the financial statements of Noah's Ark Children's Hospital Charity ("the charitable company") and Noah's Ark Appeal Limited, its wholly owned trading subsidiary (details of which can be found in note 7), made up to 31 December 2018.

These financial statements consolidate to results of the charity and its wholly owned subsidiary on a line-by-line basis.

The trading results of the subsidiary are disclosed in note 7 to these financial statements.

In accordance with the provisions of s408 of the Companies Act 2006 and paragraph 9.2 of FRS102, the charitable company is exempt from the requirement to present its own income and expenditure account and statement of financial activities.

No separate cash flow statement has been presented for the charity itself as the charity has taken advantage of the exemptions in paragraph 1.12 of FRS102.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

The taxation expense represents the aggregate amount of current tax recognised in the reporting period for the trading subsidiary. The charitable company does not have any taxable profits.

Current tax is recognised on taxable income or expenditure for the current period. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- other trading activities relate to the foyer shop, events and Santa's Grotto income.
- investment income relates to bank interest receivable.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Grant policy

Grants given are recognised in the year in which they are offered and accepted without conditions attached. Grants offered for a period of more than one year are recognised as creditors if there are no conditions to be met to receive further funding.

Where a condition is included in the offer before future instalments are paid the future instalment grant is recognised as commitments.

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Items costing less than £100 are not capitalised but written off directly to the income and expenditure account.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings – 25% straight line

Investments

Investments relate to the 100% share capital of the charity's wholly owned subsidiary and is initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Financial instruments

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

4. Limited by guarantee

Every member of the Charity undertakes to contribute such amount as may be required (not exceeding £10) to the Charity's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Charity's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

5. Donations and legacies

Current year:

	Unrestricted funds £	Restricted funds £	Total funds 2018 £
Donations			
Individuals and other groups	281,884	109,638	391,522
Trusts and foundations	21,644	250	21,894
Corporate donations	148,358	218,792	367,150
Legacies			
Legacies	343,662	—	343,662
Grants			
The Morrisons Foundation	—	—	—
The UPS Foundation	—	—	—
The Echo Trust	—	5,000	5,000
Wallace and Gromit Children's Foundation	—	—	—
The Toy Trust	—	2,000	2,000
The Bigmore Family	—	—	—
Skipton Building Society	—	—	—
The Wooden Spoon Society	50,000	—	50,000
Charities Trust	5,371	—	5,371
Rainbow Child Foundation	1,000	—	1,000
Reuben Foundation	2,000	—	2,000
TJX UK Foundation	—	2,000	2,000
Other grants	1,200	—	1,200
Other donations and legacies			
Fundraising events income	98,401	30,030	128,431
Clothes recycling schemes	54,534	—	54,534
	1,008,054	367,710	1,375,764

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

5. Donations and legacies (continued)

Prior year:

Donations

	Unrestricted funds £	Restricted funds £	Total funds 2017 £
<i>Individuals and other groups</i>	67,772	280,978	348,750
<i>Trusts and foundations</i>	29,928	3,722	33,650
<i>Corporate donations</i>	217,658	22,559	240,217

Legacies

<i>Legacies</i>	140,172	11,804	151,976
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Grants

<i>The Morrisons Foundation</i>	-	208,470	208,470
<i>The UPS Foundation</i>	-	22,816	22,816
<i>The Echo Trust</i>	-	4,733	4,733
<i>Wallace and Gromit Children's Foundation</i>	-	7,500	7,500
<i>The Toy Trust</i>	-	10,000	10,000
<i>The Bigmore Family</i>	-	9,000	9,000
<i>Skipton Building Society</i>	-	2,400	2,400
<i>The Wooden Spoon Society</i>	50,000	-	50,000
<i>Charities Trust</i>	-	-	-
<i>Rainbow Child Foundation</i>	-	-	-
<i>Reuben Foundation</i>	-	-	-
<i>TJX UK Foundation</i>	-	-	-
<i>Other grants</i>	-	-	-

Other donations and legacies

<i>Fundraising events income</i>	95,440	19,808	115,248
<i>Clothes recycling schemes</i>	38,397	-	38,397
	<u>639,367</u>	<u>603,790</u>	<u>1,243,157</u>

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

6. Other trading activities

Current year:

	Unrestricted funds	Restricted funds	Total funds 2018
	£	£	£
Trading at Santa's Grotto and other events	2,644	2,692	5,336
Shop income	56,307	-	56,307
Social lotteries	5,901	-	5,901
	<u>64,852</u>	<u>2,692</u>	<u>67,544</u>

Prior year:

	Unrestricted funds	Restricted funds	Total funds 2017
	£	£	£
Trading at Santa's Grotto and other events	4,933	4,731	9,663
Shop income	26,702	-	26,702
Social lotteries	3,203	-	3,203
	<u>34,838</u>	<u>4,731</u>	<u>39,568</u>

From April 2018 the activities of the shop in the foyer of the hospital were transferred to the subsidiary company. The current year results above consolidate the shop income of the charity before transfer (£12,361) with the shop income of the trading subsidiary (£45,965), excluding any intercompany transactions (£2,019).

The full results of the trading subsidiary are detailed in the note on the next page.

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

7. Results of the trading subsidiary

As stated on the previous page, the foyer shop's operations are now carried out through the trading subsidiary, Noah's Ark Appeal Limited. This company is a private limited company, registered in England and Wales, company number 04656756, and its registered office is the same as that of the parent charity. It pays all of its profits to the charity by gift aid, in accordance with the deed of covenant in place between them. Some profits have been retained in this first year as working capital for the shop. The charity owns the entire share capital of 2 ordinary shares of £1 each. A summary of the results of the subsidiary alone is shown below:

	2018	2017
	£	£
Turnover	45,965	–
Cost of sales	(21,574)	–
Gross Profit	24,391	
Administrative expenses, including management charges payable to Noah's Ark Children's Hospital Charity and audit fees.	(15,551)	–
Other operating income: donations received	1,066	–
Operating profit	9,906	–
Profit before taxation	9,906	–
Tax on profit	(888)	–
Profit for the financial year and total comprehensive income	9,018	–
Gift Aid payment to Noah's Ark Children's Hospital Charity	(5,000)	–
Retained earnings at the start of the year	–	–
Retained earnings at the end of the year	4,018	–

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

The assets and liabilities of the subsidiary were:

	2018	2017
	£	£
Fixed assets	233	–
Current assets	24,791	2
Creditors: amounts falling due within one year	(21,004)	–
Net current assets	3,787	2
Net assets	4,020	2
Capital and reserves		
Called up share capital	2	2
Profit and loss account	4,018	–
Shareholders funds	4,020	2

8. Investment income

	Unrestricted funds	Total funds 2018	Unrestricted funds	Total funds 2017
	£	£	£	£
Bank interest receivable	4,151	4,151	4,638	4,638

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

9. Costs of raising donations and legacies

	Unrestricted funds	Total funds 2018	Unrestricted funds	Total funds 2017
	£	£	£	£
Purchases associated with fundraising	17,676	17,676	16,191	16,191
Wages and salaries associated with fundraising	162,878	162,878	147,589	147,589
Fundraising marketing, printing, publications and photography	87,854	87,854	70,431	70,431
Third party events costs	2,930	2,930	317	317
	271,338	271,338	234,528	234,528

10. Costs of other trading activities

	Unrestricted funds	Total funds 2018	Unrestricted funds	Total funds 2017
	£	£	£	£
Purchases for resale in the shop	23,765	23,765	6,623	6,623
Other shop costs	1,761	1,761	–	–
Purchases for the Santa's Grotto and other events	370	370	3,661	3,661
Events marketing, publications, printing and photography	3,359	3,359	2,728	2,728
	29,255	29,255	13,012	13,012

As discussed above, these figures include the consolidated shop expenditure of the charity and the trading subsidiary, the individual results of which can be seen in note 7.

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

11. Expenditure on charitable activities by fund type

Current year:

	Unrestricted funds £	Restricted funds £	Total funds 2018 £
Grants to the hospital			
- Medical Equipment and Other	340,312	696,416	1,036,728
- Play Specialists Service	345,000	—	345,000
- Children's Assessment Unit	268,000	—	268,000
	<u>953,312</u>	<u>696,416</u>	<u>1,649,728</u>
 Allocated staff costs (time basis)	 100,361	 —	 100,361
IT costs	15,902	—	15,902
Other charitable costs	24,591	—	24,591
	<u>1,094,166</u>	<u>696,416</u>	<u>1,790,582</u>
Total direct costs	1,094,166	696,416	1,790,582
Support costs (see note 13)	72,904	—	72,904
	<u>1,167,070</u>	<u>696,416</u>	<u>1,863,486</u>

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

11. Expenditure on charitable activities by fund type (continued)

Prior year:

	Unrestricted funds £	Restricted funds £	Total funds 2017 £
Grants to the hospital			
- Medical Equipment and Other	303,451	3,494	306,945
- Play Specialists Service	335,000	10,000	345,000
- Children's Assessment Unit	266,240	–	266,240
	<u>904,691</u>	<u>13,494</u>	<u>918,185</u>
Allocated staff costs (time basis)	97,927	–	97,927
IT costs	11,226	–	11,226
Other charitable costs	22,706	–	22,706
	<u>1,036,550</u>	<u>13,494</u>	<u>1,050,044</u>
Total direct costs	1,036,550	13,494	1,050,044
Support costs (see note 13)	63,657	–	63,657
	<u>1,100,207</u>	<u>13,494</u>	<u>1,113,701</u>

The Noah's Ark Children's Hospital building is owned by Cardiff and Vale UHB. All equipment purchased for the hospital, and any building work done by the charity, is deemed to be donated in the year of purchase and is accounted for as project costs.

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

12. Expenditure on charitable activities by activity type

	Activities undertaken directly £	Support costs £	Total funds 2018 £	Total funds 2017 £
Children's hospital costs	1,790,582	56,019	1,846,601	1,102,103
Governance costs	–	16,885	16,885	11,598
	<hr/> 1,790,582	<hr/> 72,904	<hr/> 1,863,486	<hr/> 1,113,701

13. Analysis of support costs

	Analysis of support costs £	Total 2018 £	Total 2017 £
Staff costs	51,341	51,341	48,202
Finance costs	2,982	2,982	2,143
Governance costs	16,885	16,885	11,598
Support costs - Other	1,696	1,696	1,714
	<hr/> 72,904	<hr/> 72,904	<hr/> 63,657

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

14. Other expenditure

	Unrestricted funds	Total funds 2018	Unrestricted funds	Total funds 2017
	£	£	£	£
Loss on disposal of tangible fixed assets held for charity's own use	—	—	6	6

15. Taxation

Taxation is only applicable on the results of the trading subsidiary. The tax charge for the year is £888, based on profits of £4,018 as adjusted by disallowed expenditure and capital allowances. The tax rate applicable is 19%.

16. Net expenditure

Net expenditure is stated after charging/(crediting):

	2018	2017
	£	£
Depreciation of tangible fixed assets	1,723	1,714
Loss on disposal of tangible fixed assets	—	6

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

17. Charitable company results

The Charitable Company has taken advantage of Section 408 of the Companies Act 2006 and has not included its own income and expenditure account in these financial statements.

The results of Noah's Ark Children's Hospital Charity are summarised below:

	Unrestricted funds	Restricted funds	Total funds 2018	Total funds 2017
	£	£	£	£
Total incoming resources	1,048,435	370,402	1,418,837	1,287,362
Total resources expended	(1,443,947)	(696,416)	(2,140,363)	(1,361,247)
Net outgoing resources	(395,512)	(326,014)	(721,526)	(73,885)
Transfers between funds	13,160	(13,160)	—	—
Net movement in funds	(382,352)	(339,174)	(721,526)	(73,885)
Funds:				
As at 1 January 2018	1,339,908	657,462	1,997,370	2,071,255
As at 31 December 2018	957,556	318,288	1,275,844	1,997,370

The above results include £5,000 in gift aid donations received by Noah's Ark Children's Hospital Charity from Noah's Ark Appeal Limited, its trading subsidiary.

18. Auditors' remuneration

	2018	2017
	£	£
Fees payable for the audit of the financial statements	9,000	5,594

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

19. Staff costs and emoluments

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2018	2017
	£	£
Wages and salaries	314,580	293,718

The average head count of employees during the year was 9 (2017: 8). The average number of full-time equivalent employees during the year is analysed as follows:

	2018	2017
	No.	No.
Number of staff	9	8

No employee received employee benefits of more than £60,000 during the year (2017: Nil).

Key management personnel

Key management personnel include all persons that have authority and responsibility for planning, directing and controlling the activities of the charity. The total compensation paid to key management personnel for services provided to the charity was £140,982 (2017:£173,723).

20. Trustee remuneration and expenses

No remuneration or other benefits from employment with the charity or a related entity were received by the trustees.

Although trustees are entitled to reclaim reasonable expenses incurred during their work on behalf of the charity, or attending meetings, none were claimed during this year (2017 £nil).

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

21. Tangible fixed assets – group and charity

	Fixtures and fittings £	Total £
Cost		
At 1 January 2018	25,038	25,038
Additions	2,534	2,534
At 31 December 2018	27,572	27,572
Depreciation		
At 1 January 2018	20,915	20,915
Charge for the year	1,723	1,723
At 31 December 2018	22,638	22,638
Carrying amount		
At 31 December 2018	4,934	4,934
At 31 December 2017	4,123	4,123

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

22. Investments – charity only

	Shares in group undertakings £
Cost or valuation	
At 1 January 2018	-
Additions	2
At 31 December 2018	2
Impairment	
At 1 January 2018 and 31 December 2018	-
Carrying amount	
At 31 December 2018	2
At 31 December 2017	-

All investments shown above are held at valuation, which is the same as cost as the profits of the subsidiary are transferred to the parent charity as a gift aid distribution.

23. Stocks

	2018	2017
	Group	Charity
	£	£
		Group and Charity
		£
Merchandise for sale in shop and at events	15,938	10,607
		4,194

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

24. Debtors

		2018	2017
	Group	Charity	Group and Charity
		£	£
Amounts owed by group undertakings	–	16,390	–
Prepayments and accrued income	176,826	176,696	113,927
	<u>176,826</u>	<u>193,086</u>	<u>113,927</u>

25. Creditors: amounts falling due within one year

	2018	2017	
	Group	Charity	Group and Charity
	£	£	£
Trade creditors	1,324	–	–
Accruals and deferred income	20,342	17,942	46,360
Corporation tax	888	–	–
Social security and other taxes	618	618	–
Grants payable	506,776	506,776	94,434
Other creditors	64,236	64,236	53,851
	594,184	589,571	194,645

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

26. Analysis of charitable funds

Unrestricted funds

Current year:

	At 1 January 2018	Income	Expenditure	Transfers	At 31 December 2018
Group	£	£	£	£	£
General funds	534,894	1,077,057	(1,468,551)	373,160	516,560
Designated fund	805,014	–	–	(360,000)	445,014
	<u>1,339,908</u>	<u>1,077,057</u>	<u>(1,468,551)</u>	<u>13,160</u>	<u>961,574</u>

	At 1 January 2018	Income	Expenditure	Transfers	At 31 December 2018
Charity	£	£	£	£	£
General funds	534,894	1,048,435	(1,443,947)	373,160	512,542
Designated fund	805,014	–	–	(360,000)	445,014
	<u>1,339,908</u>	<u>1,048,435</u>	<u>(1,443,947)</u>	<u>13,160</u>	<u>957,556</u>

Prior year:

Group and Charity	At 1 January 2017	Income	Expenditure	Transfers	At 31 December 2017
	£	£	£	£	£
General funds	653,805	678,842	(1,347,753)	550,000	534,894
Designated fund	1,355,014	–	–	(550,000)	805,014
	<u>2,008,819</u>	<u>678,842</u>	<u>(1,347,753)</u>	<u>–</u>	<u>1,339,908</u>

The general funds are freely available towards the ongoing costs of running the charity. The trustees have a reserves policy such that at least £500,000 should be in place.

The designated fund is allocated towards funding hospital equipment and other services. Funding is initially allocated from general funds but where this takes these funds below the reserves policy of £500,000 a transfer is made from the designated funds to the general funds.

Therefore, this year, the trustees transferred £360,000 from the designated fund to the general fund to maintain this balance.

A further £13,160 was transferred from the restricted funds to the general fund as there were hospital grants given during the year for equipment on wards for which a restricted fund existed. The grant exceeded the restricted funds available so was treated as general expenditure in the year and the restricted fund transferred to offset these costs.

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

26. Analysis of charitable funds (continued)

Restricted funds – group and charity

Current year:

	At 1 January 2018	Income	Expenditure	Transfers	At 31 December 2018
	£	£	£	£	£
General smaller restricted funds	1,680	458	–	(35)	2,103
NICU (“Tiny Lives”)	600,088	347,761	(696,303)	(12,781)	238,765
Paediatric Intensive Care Unit	5,877	1,695	–	–	7,572
Annie’s Rainbows	40,017	307	–	–	40,324
Enterprise Neonatal	8,832	14,013	–	–	22,845
Island Ward	625	2,248	–	–	2,873
Kidney Centre	30	140	–	–	170
Owl and Jungle Ward	–	344	–	(344)	–
Parent Packs	13	136	(113)	–	36
Play Specialist Equipment	–	2,500	–	–	2,500
Prom Ind Incubator	300	–	–	–	300
Vital Signs Monitor	–	800	–	–	800
	657,462	370,402	(696,416)	(13,160)	318,288

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

26. Analysis of charitable funds (continued)

Prior year:

	At 1 January 2017	Income	Expenditure	Transfers	At 31 December 2017
	£	£	£	£	£
General smaller restricted funds	811	869	–	–	1,680
NICU (“Tiny Lives”)	57,452	542,822	(186)	–	600,088
Paediatric Intensive Care Unit	4,173	3,000	(1,296)	–	5,877
Annie’s Rainbows	–	40,017	–	–	40,017
Blood Pressure Monitor	–	780	(780)	–	–
Enterprise Neonatal	–	8,832	–	–	8,832
Island Ward	–	625	–	–	625
Neonatal Easychairs	–	445	(445)	–	–
Kidney Centre	–	30	–	–	30
Owl Ward	–	50	(50)	–	–
Parent Packs	–	750	(737)	–	13
Play Specialist Equipment	–	10,000	(10,000)	–	–
Prom Ind Incubator	–	300	–	–	300
Vital Signs Monitor	–	–	–	–	–
	62,436	608,520	(13,494)	–	657,462

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

26. Analysis of charitable funds (continued)

During the year monies were received from donors towards specific purposes. Some of these purposes were at the request of the donor and agreed by the hospital and charity, while others, such as the Tiny Lives Campaign towards a NICU are appeals begun by the charity.

Many of the funds raised were also spent in the year on equipment, such as an x-ray machine, incubators, chairs, bassinets,

breast pumps and items for the parent packs, while others remain outstanding at the year-end.

Most funds have been shown separately, while some other smaller funds, some fully spent and some with balances remaining at the year-end have been amalgamated together. Balances remaining are: Endoscopy £176, Sky/Rainbow/Rocket/Pelican Wards £1,382, Peter Holmes Fund £60 and Televisions £485.

27. Analysis of net assets between funds

Current year:

<u>Group</u>	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Tangible fixed assets	4,934	–	4,934
Current Assets	1,239,968	629,144	1,869,112
Creditors less than 1 year	(283,328)	(310,856)	(594,184)
Net Assets	961,574	318,288	1,279,862
<u>Charity</u>	Unrestricted Funds	Restricted Funds	Total Funds 2018
	£	£	£
Tangible fixed assets	4,703	–	4,703
Current Assets	1,231,568	629,144	1,860,712
Creditors less than 1 year	(278,715)	(310,856)	(589,571)
Net Assets	957,556	318,288	1,275,844

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

27. Analysis of net assets between funds

Prior year:

	Unrestricted Funds	Restricted Funds	Total Funds 2017
	£	£	£
Group and Charity			
Tangible fixed assets	4,123	–	4,123
Current Assets	1,529,205	658,687	2,187,892
Creditors less than 1 year	(193,420)	(1,225)	(194,645)
Net Assets	1,339,908	657,462	1,997,370

28. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2018	2017
	£	£
Later than 1 year and not later than 5 years	1,246	1,958

Notes to the consolidated financial statements (continued)

Year ended 31 December 2018

29. Related parties

The charity was under the control of the trustees throughout the current and previous year.

One of the trustees of the charity is also a director of Noah's Ark Appeal Limited, the wholly owned subsidiary of the charity, along with the Managing Director. At the year end the subsidiary owed £11,390 in management fees and £5,000 in Gift Aid distributions to the parent charity.

During the year eight of the trustees contributed income totalling £4,417 in the form of donations, tickets to events and the purchase of Christmas Cards. In addition, £67,289 was raised from two events that were organised by a number of the trustees. There were no other transactions with related parties requiring disclosure at the year-end.







Noah's Ark

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