



ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 MARCH 2021

Company Registration Number: 03901606
Charity Number: 1081156

FOR THE PERIOD ENDED 31 MARCH 2021

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FOR THE PERIOD ENDED 31 MARCH 2021

LEGAL AND ADMINISTRATIVE INFORMATION

DIRECTORS:

Mr Jeremy Isaacs CBE (Chairman)
Mr Jonathan Rose (Deputy Chairman – resigned 5 July 2021)
Dr Hilary Cass OBE (appointed 27 January 2020)
Mr David Lazarus (Treasurer – resigned 5 July 2021)
Mr David Greenhalgh-Todd (resigned 5 July 2021)
Dr Jane Hawdon
Mr Nilesh Jethwa (resigned 5 July 2021)
Mr Adam Levin
Dr Heather Mackinnon MBE
Ms Jenny Phillips (appointed 27 April 2020)
Ms Sarah Timms
Mr Richard Amat (Treasurer appointed 5 July 2021)
Ms Michelle Mendelsson (appointed 5 July 2021)
Dr Sanjiv Patel (appointed 5 July 2021)
Mr Paul Pomroy (appointed 5 July 2021)

SECRETARY: Mrs Lindsay Davidson

CHIEF EXECUTIVE: Mrs Sophie Andrews OBE (appointed 6 January 2020)

COMPANY NUMBER: 03901606

CHARITY NUMBER: 1081156

REGISTERED OFFICE: The Ark, 101A Byng Road, Barnet, Hertfordshire EN5 4NP

WEB ADDRESS: www.noahsarkhospice.org.uk

AUDITORS: Haysmacintyre LLP: 10 Queen St Place, London EC4R 1AG

BANKERS: HSBC: 171 Darkes Lane, Potters Bar, Hertfordshire, EN6 1BU

SOLICITORS: Dechert LLP, 160 Queen Victoria Street, London EC4V 4QQ

FOR THE PERIOD ENDED 31 MARCH 2021

STATEMENT OF THE CHAIRMAN

As detailed later in this report, over the last period we have set new organisational values. Of these values, it is perhaps 'Courage' which has been the key characteristic identified within at Noah's Ark during this period. Rapidly expediting the opening of The Ark's 'Woodlands' wing, several months ahead of schedule to relieve London hospitals and support children in acute need during the first Covid-19 wave was an act of great courage. In those early days, when most of us were locked away at home, our team met to deliberate over our readiness to commence 24/7 care at The Ark, including end of life care. The answer was emphatic – "we have to find a way".

Since then, the team have been on the frontline, helping babies, children and young people who are seriously unwell make the most of every day of their short lives, and supporting their families throughout. I recall speaking with the father of a three-year-old boy, who told me that Noah's Ark had helped his son "regain trust with the world", after he had endured a succession of procedures and setbacks. It is these moments that motivate all of us at Noah's Ark to keep growing so we may help many more children like this little boy, and their families.

This is the reason why our value of 'Excellence' is so important. 'Excellence' isn't an end-point we are striving for, rather it's a commitment to the pursuit of the very highest of standards in all that we do i.e. the quality of being outstanding at every interaction with the children and families we care for, with our supporters, with each other. There are over 2,400 children who are seriously unwell in our catchment area who could be benefitting from Noah's Ark's support. We have come a long way over the last year but there is so much more to do. Being hugely ambitious and ensuring we have the structures, people and systems to deliver on that ambition will be key to our 'No Child Left Behind' strategy. When launched in 2022, this strategy will set out the roadmap to growing at pace to ensure that many more children and families are receiving first-class care. It promises to be a hugely important and exciting period for the charity.

Our final value is of the utmost importance. 'Kindness'. Kindness at The Ark is palpable, every time anybody enters The Ark, or attends one of our activity days which, thankfully, are back up and running. Kindness is at the centre of what we do. It is this value that has been the key ingredient of Noah's Ark's success to date. From the kindness of our Care Team towards those we support; to the kindness of our trustees, staff and volunteers in working together to build Noah's Ark; to the kindness of our supporters, without whom the charity not exist as it does today – 'Kindness' is a great unifier.

FOR THE PERIOD ENDED 31 MARCH 2021

STATEMENT OF THE CHAIRMAN (CONTINUED)

I'd like to thank the trustees who retired in the last financial year for their dedication and support. They were instrumental in growing the charity and bringing The Ark to fruition. A warm welcome to our new trustees who come from a variety of backgrounds and will support us in the next stage of our development. On behalf of the Board of Trustees, I would like to extend our thanks to Chief Executive, Sophie Andrews, and her whole team who have stepped up during the pandemic and supported the children and families who needed us most.

I would like to offer a special final thanks to our supporters. When Covid-19 struck, we asked our supporters to provide the funds required to maintain our services. As the year progressed, we asked for the funds required to lay the foundations for this next, much needed growth phase. In both instances, our supporters delivered emphatically and with immense generosity. A sincere thank you on behalf of everybody at Noah's Ark Children's Hospice for continuing to stand by us.



Jeremy Isaacs CBE
Chairman
NOAH'S ARK – THE CHILDREN'S HOSPICE

FOR THE PERIOD ENDED 31 MARCH 2021

STATEMENT OF THE CHIEF EXECUTIVE

At the time of writing I have been in post as Chief Executive for almost two years. It's true to say it has been two years like no other and no-one could have anticipated the longevity of Covid-19 and the continued uncertainties we all face, both professionally and personally. None of us in the charity sector expected to be writing about the effects of the pandemic 18 months on.

It seems we are now living with Covid-19 and have emerged from the multiple lock-downs with a renewed sense of purpose and identity. In last year's report I wrote that "I'm committed to ensuring we not only survive and support the NHS during this crisis, but also emerge as a stronger organisation." I am pleased to report that we have achieved this and end the period in a stronger financial position, with new contracts and partnerships negotiated during this most difficult year. Thanks to government funding across the hospice sector, local contracts with commissioners and the success of three very distinct fundraising appeals, we have emerged as a stronger organisation and we are now looking to the future with a sense of real ambition and purpose.

You will read later in the report about the operational challenges we faced upon receiving a call to action from the NHS as they needed vital bed-space, and how we were able to respond to be there when needed. Our strong relationships with the NHS and charity partners were built during this time of crisis and with our newly opened children's hospice building, The Ark, we quickly fitted into the support network across north and north central London, caring for babies, children, young people and families who needed support at home and in The Ark. Perhaps most sobering was the revelation from many families who told us that the isolation that others were experiencing during lockdown represented only a slight deviation from their "normal" as they were used to living in a protected bubble. In many ways, our staff started to experience for the first time what the families they supported lived with every day.

We are now stronger with the organisational and financial resilience to realise our ambitions. At the time of signing these accounts we have developed our new three-year organisational strategy and have a new vision in which we aspire to reach many more of the babies, children and young people in our catchment area who are seriously unwell and for them, and their loved ones to have access to expert and compassionate palliative care from the point of diagnosis. This will require education about children's hospice care across the whole children's workforce. We know the word 'hospice' is often mentioned at the final stages of life, but we can be there at the beginning of the journey as well as at the end.

We can be there after diagnosis, through all stages of life and death and support families to make the most of every day.

FOR THE PERIOD ENDED 31 MARCH 2021

STATEMENT OF THE CHIEF EXECUTIVE (CONTINUED)

Children's hospice care is about living and making the most of every day. It is about creating those special memories and allowing those we support to enjoy life as children, rather than as patients; as families, not just as carers.

We couldn't do any of our work without people. So I'd like to thank my incredible team of staff and volunteers who have lived through all the uncertainties of the last 18 months, and to our wonderful supporters who have given vital time and funds to us to enable us to grow stronger. It is true to say we will all remember where we worked in 2020 - 2021.

On the subject of uncertainty (which must be one of the most used words in 2021) I'm reminded of a quote from Jodi Picoult, from her book, *My Sister's Keeper*:

"Normal, in our house, is like a blanket too short for a bed--sometimes it covers you just fine, and other times it leaves you cold and shaking; and worst of all, you never know which of the two it's going to be."

We are now living with Covid-19 as the new normal. Our blanket currently covers us. However, we will never be complacent.

Thank you to everyone who has supported us.



Sophie Andrews OBE
Chief Executive

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT

The Board is pleased to submit its report and financial statements for the 15 months ended 31 March 2021.

OBJECTIVES AND ACTIVITIES FOR THE PUBLIC BENEFIT

The latest report by Professor Lorna Fraser¹, the lead researcher in children's palliative care in the UK, indicated that there are over 2,400 babies, children and young people who may require palliative support in our geographical area. To meet the needs of this ever-growing population, Noah's Ark Children's Hospice will continue to offer hospice care in families' homes, in the community and from our state-of-the-art children's hospice building, The Ark.

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

This report demonstrates how public benefit was delivered through Noah's Ark's charitable aims in 2020/21. In working to deliver these objectives, the Board of the Charity is cognisant of the need to comply with public benefit requirements. To that end we have paid due regard to the published guidance from the Charity Commission on the operation of the Public Benefit requirement under the Charities Act 2011.

Our Vision

Our vision is for every baby, child and young person who is seriously unwell, and their loved ones, to have access to expert and compassionate palliative care from the point of diagnosis.

Our Mission

We help children with life-threatening or life-limiting conditions, and their families, make the most of every day. And we support those who die young to do so in as much comfort as possible, surrounded by family. We are here to enable those we support to enjoy life as children, rather than as patients; as families, not just as carers.

¹ Lorna K Fraser, Deborah Gibson-Smith, Stuart Jarvis, Paul Norman, Roger Parslow, Universities of York and Leeds. 'Make Every Child Count' Estimating current and future prevalence of children and young people with life-limiting conditions in the United Kingdom– February 2020.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

About Us

We are one of the UK's leading children's hospices, providing care for over 350 children and their families every year. We work in partnership with London's NHS Trusts, medical professionals and health and social care organisations to provide every child and family with the care, support and expertise they need.

We provide the highest quality of care and compassion for our babies, children and young people. We also offer families the help they need to make their lives easier. Our support is carefully adapted for every child and is offered wherever it is required - whether in their home, their community or at our centre of excellence, The Ark, in north London. We have created a space where seriously unwell children are accepted as they are, safe to play, explore, express themselves and build confidence.

We believe every child deserves a high quality life and death. From creating and sharing sounds in music therapy, to holding the hands of parents during their child's final moments, we believe in making every moment matter. We help children and families by focusing on what they are able to do, rather than on any perceived limitations.

We stand side by side with families as they face the unimaginable. We cannot change the diagnosis, but we can do everything we can to help them make the most of their time together.

At present, we care for over 350 children who live with 132 different conditions. 78% have a disability and 55% are below the age of 5. No child or condition is too complex. Babies, children and young people with life-threatening or life-limiting conditions can be in our care for many years before transferring to adult services. The palliative care that we provide is not just for those children nearing the end of their lives, but part of an integrated approach to care that aims to enhance their entire life.

Across the areas of north and central London we cover, there are over 2,400 babies, children and young people who have life-limiting or life-threatening conditions. We are working with leading London NHS trusts to identify which of these children could most benefit from our support. This includes children requiring long-term ventilation, many of whom have conditions that are too complex to be managed by other children's hospices. We believe that no child should be left behind.

In the UK, many babies, children and young people with life-limiting or life-threatening conditions do not have easy access to palliative care services - whilst societal discomfort in talking about these issues often adds to families' sense of helplessness and loneliness. We want to change this, by building a better understanding of children's palliative care so that every child and family receives the support they need.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Culture and Values

Since the end of the 15-month period, and in line with our strategic review, we have re-examined our culture and values. We asked a large number of stakeholders in the charity, such as staff, volunteers, trustees and families how they viewed the charity and how they felt about our culture and values. The Senior Leadership Team considered all the responses over a period of some weeks and then developed new values, which represent the charity and our mission. These were then shared and discussed with all the stakeholders and, as a result, we have defined three new values. They are Kindness, Excellence and Courage.



KINDNESS

- We show compassion and empathy in all our interactions
- We put the child and family at the heart of all we do
- We are considerate: act thoughtfully and behave with integrity
- We go above and beyond
- We embrace diversity
- We create precious moments for children and their families
- We actively promote good mental health and look after our team
- We do not judge others for their differences



EXCELLENCE

- We are exacting and passionate about our mission
- Our expert and dedicated team is tenacious and solution focused
- We are pioneering, creative and adaptable
- We collaborate and build partnerships
- We listen and learn
- We are considered and reflective
- We plan and grow responsively and responsibly
- We invest in our people



COURAGE

- We are strong and ambitious in all we do
- We challenge the status quo, making bold decisions and thinking big
- We help families and each other build resilience and aim to empower
- We act with candour and integrity
- We reach out to people in very difficult circumstances
- We do not shy away from making hard decisions or from challenging situations
- We are not afraid to ask for help

We are embedding these values across all aspects of the charity.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Impact of the Covid-19 pandemic

The impact of the Covid-19 pandemic was felt across all areas of the charity. Although we had recently completed the build of The Ark, we were in the process of testing it and training our Care Team when the pandemic struck. In order to facilitate a change from community-based working to a necessary focus on residential stays in The Ark, we had to establish a whole new way of working for our Care Team. This included a heavy focus on infection control to keep our children, their families and carers and our staff safe and confident when coming into The Ark.

The majority of our staff rose magnificently to the challenge and adapted to new ways of working – new shifts, long hours, rota changes at short notice to accommodate children at end of life and coming to The Ark daily while their peers in other departments worked from home. This led to some challenges in terms of managing, supporting and communicating with staff, but by adapting our ways of working, including frequent calls with trustees, the prolific use of Zoom meetings and a fortnightly newsletter to all staff and trustees, we managed to overcome some very challenging months.

Elsewhere in the charity, as a response to the pandemic, we also encountered significant change as we moved to a model of working from home. We also took the decision to furlough some 35% of the staff i.e. mainly those in non-care functions: largely fundraising and support staff. At the same time, we ran a successful emergency appeal. This developed our skills in direct marketing and online giving and gave us the confidence to run our first matched giving campaign 'Moments that Matter' in November 2020, which was the most successful fundraising initiative in the charity's history.

FOR THE PERIOD ENDED 31 MARCH 2021**DIRECTORS' REPORT (CONTINUED)****CARE**

- Noah's Ark received 110 new referrals of which 95 new families were accepted.
- We offered care services for 930 beneficiaries, comprising 198 babies, children and young people, 452 of their parents/carers and 280 of their siblings.
- 28 Noah's Ark babies, children and young people died and the charity continued to support 67 families post-bereavement.

2020/2021 was a period of transformational change for our care provision, launching major new services at The Ark and adapting our home and community provision in the challenging circumstances presented by Covid. An imperative has been investing in considerable staff training and development to ensure the safety and compliance of The Ark and new services. We also endeavoured to ensure that the right services were available to neonates, babies, children, young people and their families when and where they needed them.

In January 2020 we hosted a Care Quality Commission inspection of The Ark. Care Quality Commission sign off was granted to open The Ark to deliver care services, with outstanding feedback provided, including by a Senior Care Quality Commission Manager. In February 2020 Clinical Services hosted the first of many planned 'pilots' with Noah's Ark employees and referred families.

Covid-19 Response

In early March 2020 the Care Team met, hoping to discuss and implement feedback from the pilots. However, the remainder of 2020/2021 was impacted radically by the Covid-19 pandemic. Team priorities transformed to:

- The early opening of Woodlands (children's bedroom) Wing, Meadows (family bedroom) Wing, and our Butterfly (bereavement) Suites in response to an urgent call for action from the National Health Service.
- Robust infection prevention and control measures and risk assessments.
- Expediting some temporary acquisition of equipment and agreement of contracts relating to care at The Ark.
- Expediting employee training and development to ensure safety and compliance.
- Ensuring the right services were available for our beneficiaries.

The Care Team as a result have been there for babies, children and young people in the most acute need, including those at the end of their lives or using the Butterfly Suites post death, as well as their families facing challenges that were exacerbated by the pandemic.

FOR THE PERIOD ENDED 31 MARCH 2021**DIRECTORS' REPORT (CONTINUED)**

Covid presented significant operational challenges, including shortages of clinical equipment, oxygen and personal protective equipment. Access to and management of medications was harder due to the pressures on the NHS and we had to establish local and out-of-area General Practitioner relationships for the first time, which were difficult to arrange due to Covid related logistical challenges. Safeguarding concerns and referrals increased. Many families were in crisis or shielding and the number of baby, child and young person deaths supported by the Care Team reached a peak in the charity's history. A neighbouring children's hospice was forced to close one of its sites and they reached out to Noah's Ark to support North West London referrals. Over a quarter of end of life and post death referrals during this period were from North West London.

In order to provide the best possible care, our Chief Executive, Sophie Andrews OBE, made changes to Noah's Ark's Senior Leadership Team, promoting an Interim Director of Care. The next stage of the restructure applied to the wider Care Team. Consultations and feedback were obtained from Care Team members, ensuring voices were heard before deciding on the final Care Team structure. Three part-time senior Medical Directors were also appointed, providing considerable advice and support to the Care Team.

Given the challenges for staff brought about by Covid, a renewed emphasis was placed on Care Team wellbeing and development. By July 2020, wellbeing initiatives included a full 'Wellbeing Week'. Supervision, induction, training, compliance and development opportunities for the Care Team were areas of particular focus. Holistic Services, including some members of the Family Activities and Therapies teams, returned from furlough and our community services resumed.

Following feedback from the 'Wellbeing Week', the Interim Director of Care and Senior Head of Care started monthly appreciation acts for the Care Team, based on Care Team feedback.

"The consensus is that the current Senior Leaders are committed and passionate about providing a high-quality sustainable service for children, young people and their families and the Care Team in majority are in support of the new restructure."

Independent Care Quality Commission Audit

Compliments were recorded for all departments across Care throughout this period. The highest number of compliments were for the Family Activities team, who organised a wide range of fun events for Noah's Ark families. This is gratifying as it demonstrates that we provided tailor-made, accessible and engaging activities for families, even when we were socially distancing and many families were shielding.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

During this period, the Senior Leadership Team agreed it was imperative to facilitate the implementation of RADAR, our new risk management system. Now that it is successfully up and running, all staff are automatically enrolled in induction, training, and supervision, and notified of new policies and procedures. Furthermore, RADAR monitors compliments, complaints, feedback, suggestions, incidents, accidents and our annual audit schedule. The risk register is also maintained and monitored using RADAR.

Making the most of every day

As the father of a young person we support put it, during this most challenging of periods, *"Noah's Ark has provided light amidst the dark"*.

There have been wonderfully uplifting moments. We have made children's wishes come true: hosting a socially distanced birthday party for one teenager and facilitating the final wish of another. One family member told the Care Team, *"There are no words to describe what you have done for us as a family"*.

Many Noah's Ark families have faced acute social crises within this time. Alongside our clinical offer, the Care Team has also helped families to access financial support and free school meals, even helping one family to find new accommodation suitable for their child with disabilities.

Clinical Services – Highlights 2020/2021

During this period:

- 49 babies, children and young people received Specialist Care and Nursing at The Ark
- 82 babies, children and young people received Specialist Care and Nursing in the community
- 30 babies, children and young people received Specialist Play in The Ark
- 51 babies, children and young people received Specialist Play in the community
- 9,334 hours of care were provided in The Ark
- 1,468 hours of day care were provided at The Ark
- 2,103 hours of individual nurse, carer and specialist play visits were provided in the community.

As previously stated, Covid led to the early opening of our children's bedroom and family bedroom wings in March 2020 and the significant curtailing of community services.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

From October 2020, Specialist Carers and Nurses recommenced community support, and as a result, we were able to offer more care, choice and flexibility to our families. The nation then entered another lockdown, however community services continued during this time, and we offered Short Breaks seven days per week, giving families a choice of both timing and location. Short Breaks in The Ark became increasingly popular due to the amount of activities, facilities and space we could offer.

As a result, we created socially distanced groups for Short Breaks enabling the Specialist Care and Nursing Team to see more babies, children and young people. Some families continued to shield at home, but we remained in contact with them offering our support from afar. Clinical Services also hosted a Barnet Hospital Paediatric Consultant Away Day at The Ark.

The Specialist Care and Nursing team arranged for one boy who was bedbound to be wheeled outside in his bed to enable the family to spend time together in the sunshine. His father commented:

"My son is safe; the staff understand the risks of his condition and manage these really well. We were initially worried about coming here but we couldn't ask for anything better for our son".

The mother of one child referred to the Specialist Carers and Nurses as "angels" providing the "best care possible". She also told the Care Quality Commission ('CQC') Quality Audit professional that she was confident that when she was not in the room with her son, the Specialist Carers and Nurses would anticipate his needs, providing a recent example of this, which demonstrated the efficiency of the team, attention to detail and respect.

One mother, who stayed at The Ark with her two children with disabilities, said afterwards, *"The Ark is a brilliant place for us to be able to stay - it's like having a home from home where we know almost everyone and where the girls love to be. When we really needed it, The Ark was there for us and really helped us through some tough times."*

From March 2020 onwards, Specialist Play was added to our Clinical Services rota to respond to neonates, babies, children and young people in the most acute need. This included supporting symptom control, end of life and post death care at The Ark. Throughout this period, the Play team continued to support families flexibly; virtually, in The Ark and at home once restrictions were lifted. The reasons for referral to Specialist Play are typically isolation, stimulation and developmental support, as well as pre and post bereavement support. A highlight in early 2021, was a group sensory cinema session, with light cubes, popcorn making and painting. With the number of referrals increasing the demand for Specialist Play support in The Ark, this period saw the first stages of the creation of a Play Volunteer team.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

"I have seen lots of different people and they have all made me feel stressed. With you it feels relaxed and I find it easier to talk." **Family**

Holistic Services

Overview

During this period Holistic Services delivered 5,661 sessions, of which 1,357 took place in the community.

Restrictions of in-person activity unavoidably led to a curtailment of our Holistic Services for much of this period. However, once restrictions were lifted, the team worked together more collaboratively than ever to support children and families.

One example of team collaboration saw Family Activities, Specialist Care, Nursing, Family Link and Therapies come together to support a family whose child had died. The team provided post-death care for the child who had died, emotional, practical and therapeutic support for the family, childcare for a bereaved sibling, and family memory making activities. The child's parents were very grateful and said they treasured their stay at The Ark, as the care staff "*filled it with love, care and individual thoughtfulness*". Before they left, the whole family came back together for a picnic arranged by the Noah's Ark Catering Manager in the Butterfly Suite, to allow the family to spend final quality time together and enjoy The Ark. The family went home with a bereavement support plan in place for the future.

Family Link

During this period:

- Family Link joined the Clinical rota to deliver 24/7 end of life care and post death care.
- The Family Link team participated in 1,263 interactions with other professionals.
- The Family Link team assessed 95 new families.
- The Family Link team provided Family Link support to 251 families, 198 babies, children and young people, 452 parents/carers and 280 siblings.
- The Family Link team supported 28 Noah's Ark babies, children and young people who died and continued to support 67 families post bereavement.
- 'Family Reported Outcome Measures' continued to be used for quantitative and qualitative reporting and 33% of families identified that their outcomes had improved over the year. This percentage would have been higher had we been able to provide a full service during the Covid-19 pandemic.

FOR THE PERIOD ENDED 31 MARCH 2021**DIRECTORS' REPORT (CONTINUED)****Holistic Services (Continued)**

The Family Link team continued to deliver practical and emotional support and advice, including advocacy for housing, benefits and education to the increasing number of families we support. The complexity of need has increased within individual families as well as across the population we care for. The team continued to provide bereavement support to any family bereaved of a child, whether or not we have known the child in life. From March 2020, Family Link were added to the Clinical Services rota to respond to neonates, babies, children and young people in the most acute need during the Covid-19 pandemic. This included supporting end of life and post death care at The Ark.

Noah's Ark has a growing Designated Safeguarding Lead team which meets monthly and in this period also included the addition of the Head of Education and Development and Infection Prevention and Control, Senior Head of Care, and a Medical Director. Family Link also became referral partners for the Child in Need Emergency Essentials fund, administered by the Family Fund. The team have worked closely with a Wish charity to provide an end of life child with a special letter from the Lord Lieutenant of Hertfordshire. The team has been helping families to access various sources of funding for funeral costs, and helping them design Orders of Service for funerals, as well as arranging legal advice with a housing solicitor, and collating supporting evidence from the professional network for a family whose critically unwell child was in unsafe accommodation. The team was also successful in securing a long-awaited buggy for a child who is now able to go outside for the first time since being discharged from hospital. Family Link have also been co-ordinating deliveries of food parcels and activity packs to families shielding by using the charity's Home Support Volunteers.

Therapies**During this period:**

- 127 children received 1,594 sessions of Therapeutic support from a Music Therapist, Drama and Movement Therapist, Art Therapist and Occupational Therapist.

In the early months of 2020, the Therapies Team continued to develop bespoke, outcome-focused support through their specialist input. The Music Therapy in-reach service provided specialist support in Great Ormond Street Hospital, University City London Hospital and Barnet Hospital.

FOR THE PERIOD ENDED 31 MARCH 2021**DIRECTORS' REPORT (CONTINUED)****Holistic Services (Continued)**

From March 2020, the charity furloughed the Therapies Team for an extended period through the Covid-19 pandemic. From mid-2020, weekly Zoom Music Therapy groups were established and the team has grown and developed some wonderful new virtual Therapy groups, including a lunchtime movement session for the whole family, a weekly Art Club and two weekly developmental massage groups. The groups have been well attended and provide a highly valued addition to the offer to families.

In addition, the team launched virtual parent support sessions for bereaved families, with families attending each week, many of whom have not otherwise been accessing regular services from Noah's Ark. There are plans to develop these groups into peer led face-to-face events. The team planned a Bereaved Sibling event for summer 2021, which included creative elements such as beatboxing, movement and art. In August 2020, bereaved parent and grandparent Zoom groups were offered to families and this has led to the development of fathers taking their own lead in developing a football team supported by SANDS, meeting regularly for social support.

The Therapies team and Family Link led quarterly Staff Memory Events – an opportunity for care staff to come together to remember the babies, children and young people who have died, to reflect and share memories.

Home Support Volunteers**During this period:**

- 87 families received Home Support Volunteer support.
- 43 Home Support Volunteers were matched with families.
- 550 sessions totalling 490 hours of home support were provided.
- We increased in-reach sibling crèche services for neonatal, cardiac and general intensive care units at Great Ormond Street Hospital.
- 42 Home Support Volunteers have given 196 years of service to Noah's Ark. The average length of time a home support volunteer has been supporting families in the community is 4.8 years and six have been Home Support Volunteers for over a decade.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Holistic Services (Continued)

Home Support Volunteers continued to offer a range of practical assistance for families, including child, young person and sibling support and help for parents with day to day tasks. From March 2020, all Home Support Volunteer matches were moved to Zoom where possible.

In March 2021, Home Support Volunteers returned to face-to-face visits in the community. All Home Support Volunteers and matched families were contacted to see if they were comfortable with the return to face-to-face visits. All-but-three families agreed for visits to restart. There has been a lot of creativity involved in terms of making the 'visit' work over the phone or screen. One volunteer even let his five-year-old match 'give him a makeover'. Other games have included drawing, scavenger hunts, singing and dancing. It has been wonderful to hear how well many of these matches have adapted. Some of the volunteers have found that where they were originally matched with a Noah's Ark child, young person or sibling they have become more of a listening ear for their parents, providing emotional support. Home Support Volunteers have also been collecting and delivering prescriptions, food parcels and activity packs to families who were shielding.

"Our volunteer is amazing! She has done so much for us over a really difficult year. She feels like part of the family and we will always remember and be grateful for her help." **Family**

"Working with families is very grounding, very humbling. I can't ever see myself leaving, I love volunteering!" **Volunteer**

Family Activities

During this period:

- 76 families attended Family Days.
- 20 children and young people with life limiting or life-threatening conditions attended Noah's Ark Children's Groups.
- 66 siblings accessed Sibling Support Groups.
- Over 220 children and young people logged into Zoom groups each quarter.
- An average of 650 'Weekly Activity Subscription' packs were provided each quarter.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Holistic Services (Continued)

In March 2020, the charity furloughed the Family Activities Team for several months. In July 2020, weekly Zoom sessions for Noah's Ark babies, children, young people and siblings, led by different entertainers from Spread a Smile, were re-established.

"Since L died, L has been ever so lonely, lockdown has highlighted this even more. They really were an inseparable double act. These sessions, and now the cadet sessions, have really given her something to look forward to each week. What a positive difference Noah's Ark have made to her little life, I can't thank you enough for all that you have done and all that you continue to do."

Mum of L & L

On average over 220 children and young people have logged into Zoom groups each quarter since they were established. 'Weekly Activity Subscriptions' were sent to families, personalised to each child based on age, likes and ability. Each week the packs were posted to families, whilst making sure that every child in the family received an activity to do in their own time at home. On average 650 'Weekly Activity Subscription' packs were provided each quarter for families.

The Charity 'Spread a Smile' has also been running bi-weekly singing and music sessions. The team has planned (Government Covid-19 pandemic allowing) bouncy castles, laser quest, sensory domes, slime planet, petting zoos, circus workshops and team building, amongst other activities, as well as coming to entertain children and young people at The Ark. As the team appreciate, some families may still be apprehensive attending in-person activities, so all the above Zoom groups will continue into the future and the Activity Subscription will be sent monthly.

During the festive period in 2020 the Activities Wing at The Ark became a candy cane themed wonderland. The 'Den' became Santa's Grotto and we had the capacity to allow two families a day to visit with Santa and then spend a few hours using the Activities Wing. For any families that could not come, the team drove 'Santa' around in the Noah's Ark van, delivering presents to families and visiting the children on their doorstep. Over 20 families came to visit Santa in The Ark with dozens more being visited in the community (socially distanced on the doorstep) in the decorated Noah's Ark van. Gifts for children and siblings were handpicked for all those who wanted a visit or delivery from Santa, and families who were in particular need were offered hampers of food supplied by Morrisons. The team also held two in-person sibling groups, where the children enjoyed using all of the technology in the building.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Holistic Services (Continued)

Noah's Ark siblings have been invited to join "Noah's Ark Cadets" where they earn badges each week and the whole family can opt into a weekly activity that they can complete in their own time, sent in the post.

"He really loves the Zoom meetings, I hope they continue, as it's not easy to go to after school clubs and he feels this is a club for him."

Parent of child supported by Noah's Ark

Future plans

Future plans for the Care Team at Noah's Ark include:

- Offering Clinical and Holistic end of life, post death and bereavement support at The Ark and in the community.
- Embedding and operating Woodlands, our high dependency Children's Bedroom Wing, 24/7, 365 days per year with the emphasis on end of life and the most acute need.
- Supporting families in clinical and social crisis through Meadows, our dedicated family accommodation, and in the community - primarily families' homes.
- Providing clinical, holistic, practical and emotional support in The Ark and in community settings.
- Growing our neonatal support in local neonatal units, including Great Ormond Street Hospital, University College London Hospital, The Royal Free-Barnet Hospital, at The Ark and in the community.
- Partnerships with adult hospices to explore using The Ark for transition services.
- Offering a wider variety of Care Team led family and group activities from The Ark and in the community.
- Expanding the programme of volunteers including Home Support Volunteers, Play Volunteers, Family Activities Volunteers and The Ark Volunteers.
- Implementing new IT systems to better integrate care delivery with the National Health Service.
- Establishing a North London Child Bereavement UK Hub at Noah's Ark.
- Holding more Medical, Clinical and Holistic Clinics at The Ark.
- Using Band 4 Specialist Carers increasingly to support with Nursing tasks e.g. Line Management.
- Appointment of a Bereavement Co-ordinator (Counsellor) and bereavement service.
- Expansion of Specialist Play with a team of Play Volunteers and Play Students.
- Continued augmenting of the Family Link Team to ensure capacity for managing increasing numbers of referrals.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Future Plans (Continued)

- Expanding the Clinical Team with additional Specialist Carers and Nurses to ensure that symptom management, end of life care and post death care can take place within both the community and The Ark, whilst ensuring that this does not impact what Clinical Services already offer to families.
- Delivery and expansion of multiple Therapies including Music, Art, Drama and Movement, Occupational Therapy, Physiotherapy and Hydrotherapy.
- Implementation of new IT systems to enhance the effectiveness of Care delivery.

Commissioning

In early 2020 we established a Commissioning service in order to help fund services delivered by our Care Team in both the community and The Ark to include our newly opened Woodlands (Children's Bedroom) Wing. In the following months, we were successful in negotiating an 18-month contract with the North Central London Clinical Commissioning Group. We also worked collaboratively with other boroughs that comprise both the North West London and Herts Valley Clinical Commissioning Groups to support referred babies, children, young people and their families who live in these areas if they chose our services.

We admitted far more clinically and socially complex babies, children and young people than originally intended at such an early stage in our development. As a result, we have cemented and expanded a real specialism in end of life and post death care and in particular the care of neonates and those who require Long Term Ventilation. We have continued to train and develop our Nurses, Specialist Carers and Holistic team to support more neonates, and babies, children and young people with complex conditions, such as those requiring invasive and non-invasive ventilation.

In total we provided over 350 Woodlands bed nights (including some charitable nights) in our first 12 months of opening Woodlands. Referred neonates, babies, children and young people came from all five boroughs of North Central London and we also supported several out of borough children in both The Ark and community, in line with our ethos of prioritising those with the highest need. The out of borough referrals were mainly at end of life or post death. In addition, we supported community rotas for babies, children and young people whose families chose for them to die at home. We provided end of life and/or post death care for 12 babies, children or young people and their families in this period. The experience of each neonate, baby, child, young person and their family is unique at end of life and/or post death. Therefore, we tailored our services to respond to each family's individual needs, creating a bespoke offer of care for each family.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Commissioning (Continued)

The Barnet Short Breaks contract also started in earnest. We have provided 126 sessions for over 10 children and young people who live in Barnet and meet the referral criteria. This equated to 324 hours of care during the first 9 months of the contract. These sessions included activities after school, at weekends and during the school holidays as well as activities over Zoom. We are looking forward to expanding our activities and signing up more children and young people who live in Barnet in the coming year.

We developed a highly coordinated approach from the whole Care Team who worked closely with the Commissioning team. We had to establish new ways of working once we opened The Ark, not only due to Covid-19, when many employees were working from home, but also to take into account our Specialist Carers' and Nurses' shift patterns. We quickly established new procedures including twice weekly 'Admissions Meetings' which ran alongside our internal biweekly 'Pathway Meeting' to discuss caseloads and referrals and to keep in touch and coordinate. We work hard in the charity to communicate effectively – as often we deal with children whose situations change rapidly and involve many conversations with multiple professionals as well as the child and their family.

The Commissioning team are very grateful for all the support we have received from The Care Team-Specialist Care and Nursing, Specialist Play, Family Link, Therapies, Family Activities, Home Support Volunteering and our new Medical Directors. Without everyone pulling together and adapting our working patterns, often at short notice, we would not have been able to provide so many unique and memorable experiences for such a large and varied number of neonates, babies, children, young people and their families. We are particularly thankful over this period for the exceptional clinical and holistic skills and proactive attitude of our extraordinary Specialist Carers and Nurses who were stretched to their limits on multiple occasions during the Covid-19 crisis, but who triumphed time and again to provide exemplary care to our babies, children, young people and their families.

ORGANISATIONAL PRIORITIES FOR 2021/2

Going forward, and with lockdown restrictions easing, we expect that more of our families will feel confident enough to leave their homes and visit The Ark to access more of our services. While our Zoom sessions have been successful and will continue, we anticipate that these will reduce in the coming months and be replaced with more face-to-face contact. The same applies to our clinical and holistic community and 'Barnet Short Breaks' activities. We expect more of these activities to occur in The Ark and in the community and fewer on Zoom.

FOR THE PERIOD ENDED 31 MARCH 2021**DIRECTORS' REPORT (CONTINUED)****Organisational priorities for 2021/2 (continued)**

We will also formalise our booking procedure. In the past months we have been reactive, prioritising the highest need. Covid-19 also had a material impact on our capacity, which meant that we were unable to book overnight stays too far in advance. Going forward we aim to be less reactive, will book in more planned clinical and holistic services across the year and balance this whilst responding to end of life, post death, clinical and social crisis, which typically necessitates longer stays at The Ark or a longer rota created in the community.

At the same time, the Specialist Care and Nursing team, together with the Medical Directors and Commissioning team, will keep in close contact with our key local hospitals and care providers in order to respond to wider capacity issues. We have been informed of a projected increase in respiratory infections occurring earlier than usual in the seasonal calendar. We will continue to communicate effectively to respond to increased demand with other hospital and partner requests for end of life, post death, step down, clinical or social crisis.

We will continue our comprehensive induction, training and development programme, overseen by our Senior Head of Education and Development (Registered Nurse), to ensure that our Specialist Care and Nursing Team are as highly trained, competent and confident as possible, including joint opportunities with our partner hospices and hospitals such as The Royal Brompton. We are very grateful to their Specialists who provided extensive training on tracheostomy and ventilation free of charge. Not only did they teach the clinical skills, but we also received training on the different technologies that our children and young people use. This ensured that we could continue to care clinically for babies, children and young people in our catchments with the most severe respiratory conditions, and also that we are trained on their various different ventilators. We also appreciate our peers at Great Ormond Street Hospital who provide support with symptom management and syringe driver training and at Barnet Hospital who provide us with a Medical Cover and Pharmacy Service Level Agreement.

Another area of focus is to work more closely with our local Continuing Care and Community Nursing teams. We would like to offer employee rotations, share training and continue to support each other on children's community rotas. This is already taking place for children at end of life, but we would like to expand this further – in particular where families are known to each of us. This will provide continuity of care for our babies, children and young people as they step down from hospital and transition (via The Ark where necessary) back home. It is worth noting that we can also offer out-patient clinics at The Ark. The same professionals who see our children in hospital have successfully started holding their clinics at The Ark.

DIRECTORS' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 MARCH 2021

Organisational priorities for 2021/2 (continued)

This reduces travel and stress for our families and allows our children and their families to access our facilities around either side of their appointments.

We are also working with several Commissioners and Clinical Commissioning Groups outside North Central London to secure more statutory funded contracts, along the lines of our North Central London contract. We would also like to extend our Barnet Short Breaks contract to other boroughs within North Central London to provide more activities to more children and young people who meet our criteria.

We are confident that more neonates, babies, children and young people in our boroughs, and those in adjacent ones, will choose to use more of our services once Covid-19 abates. We have recruited, and continue to recruit, more high calibre Specialist Carers, Nurses, Social Workers, Family Link Workers and Holistic Team members and we are supporting them and their peers with continued and extensive training and development. Staff wellbeing and retention, whilst delivering best practice is high on our agenda. We are excited to offer more holistic and clinical care to include overnight stays, day services, advocacy and therapies, balanced with a rapid, co-ordinated response to neonates, babies, children and young people in the most immediate and acute need, this year and into the future.

In July 2021 the Board attended an Away Day with the Senior Leadership Team and agreed a new Vision, a new Mission and a three-year organisational strategy. The focus of this work has been around unmet need and ensuring the organisation is ready to meet the needs of the babies, children and young people who will require children's hospice services in the future. We believe many families do not access services at any early enough point, due to fear about facing the reality of a life limiting or life-threatening diagnosis, and also because they are not aware of the services that we offer. A big part of our work therefore needs to be around education and ensuring our care is offered at the point of diagnosis.

A further focus of our work is to provide clinical and holistic services to ensure every baby, child and young person we support (and their families) is able to make the most of every day. We realise for some this may be a small intervention but for others this could be vital support at end of life or respite for families who need extra support. Our services will wrap around the family and ensure everyone is cared for.

We have identified four key objectives to our strategy which we believe will ensure we reach the babies, children and young people who need our support and ensure "No child left behind", which will be a strapline within our new strategy.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Organisational priorities for 2021/2 (continued)

Objective One

To support significantly more children, and their loved ones, who would benefit most from Noah's Ark's care

With over 2,400 babies, children and young people who could be benefit from our support, we are determined to grow at pace to ensure that no child is left behind.

Objective Two

To set a new standard for children's palliative care

As a provider of care for babies, children and young people who are unstable, deteriorating or dying, we are resolved to strive for excellence in all that we do and partner with key London hospitals to fulfil our mission.

Objective Three

To attract and retain the best

We will become sector-renowned as an employer of choice by building a dynamic, supportive and inclusive environment in which the Noah's Ark team can do their best work.

Objective Four

To develop a sustainable funding model

With the advent of acute clinical care at the Ark, we will diversify our income by establishing funding relationships with NHS Clinical Commissioning Groups.

The objectives are now being developed further and aligned with our budgets for the next financial year. We plan to publish detailed plans to support our new three year organisational strategy in the spring of 2022.

FUNDRAISING & COMMUNICATIONS

The Charity has been a registered member of the Fundraising Regulator since December 2016 and is guided by the Fundraising Code of Practice. It has strict internal controls to monitor volunteer fundraisers who raise money on behalf of the Charity. Since registration and including the current and the prior period, Noah's Ark has received no formal complaints from donors, but a robust system is in place to monitor and respond to any complaints should they arise. The Charity does not engage an external Fundraiser.

This financial period was one of great flux but also a very significant success for the Fundraising & Marketing team.

FOR THE PERIOD ENDED 31 MARCH 2021

Fundraising & Communications (Continued)

Team

After more than six very successful years as Noah's Ark's Director of Income Generation and Communications, Alison Goodman left this post to take on the newly created role of Deputy Chief Executive at the charity, with Anthony Hayman now leading the Fundraising and Communications division.

In order to help preserve the charity's reserves and in light of limitations on fundraising activity, in April we took the difficult decision to furlough six members of the team for much of the period, with planned recruitment for two roles paused indefinitely. Three members of the team were redeployed and one was made redundant. As the outlook improved, thankfully we were able to welcome three new colleagues to the team.

Performance

With our £13.5m Building The Ark Appeal concluded, our pre-pandemic voluntary income forecast was £3.3m. This was reduced to £2.8m once Covid-19 struck. Indeed, numerous in-person fundraising events were cancelled, including two major fundraising gala dinners planned by significant supporters of the charity. Thankfully, forecasts were very significantly exceeded, helping to secure the charity's financial stability. Key to this success were three appeals:

- Coronavirus emergency appeal:

In the early months of Covid-19, we ran an emergency appeal, with over £450,000 donated to the charity. We would like to offer particular thanks to The Betty Messenger Charitable Foundation and The Karlsson Játiva Charitable Foundation for their large grants which were pivotal to enabling continued care for children and families during this period.

- Keep Noah's Ark Afloat campaign:

This campaign, which focused on a film starring the voice of actor Peter Capaldi, with inspirational shots from The Ark, resulted in over 1,000 supporters donating over £115,000, 99% of whom had never previously supported the Charity. The campaign generated significant media and social media buzz. Over 40 pieces of press coverage were secured, including pieces on BBC London, in the Daily Mail and on Talk Sport. Social media support was offered by high profile names, including Harry Kane, Gary Neville, Glenn Hoddle, Zoe Ball and Emma Bunton. A paid social media campaign reached an additional 65,000 people across the country.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Fundraising & Communications (Continued)

- Moments That Matter campaign:

This campaign was the most successful in the charity's history. In just 36 hours we received donations from over 5,500 supporters. The success of the campaign was thanks to our backers who provided a significant matching fund, and our 189 Team Leaders, who fundraised tirelessly. The campaign generated an unparalleled social media response, with the campaign film watched 53,400 times on Twitter.

Hugely generous pro bono support from The 10 Group was pivotal towards the success of both the Keep Noah's Ark Afloat and Moments That Matter campaigns.

Looking ahead

The charity completed a rebrand which took place in September 2021. The key aims of the rebrand are to help enable greater access to Noah's Ark's services for more neonates, babies, children and young people, and to provide a more distinctive and approachable visual identity. This includes an overhaul of the charity's website and social media strategy.

Whilst continuing to build support from major donors, trusts and businesses, the team will be placing a renewed focus on gaining ongoing monthly support from a larger supporter base. The new brand will support this planned diversification of income, as will our plan to move to a new CRM database, which will automate many administrative processes and enable improved and more tailored supporter communications.

HUMAN RESOURCES AND PEOPLE DEVELOPMENT

We cannot underestimate the impact that Coronavirus has had on the Charity's workforce: employees and volunteers.

The majority of non-care staff were furloughed for several months and there were restructures and redundancies in the HR Department and in the Fundraising and Communications Team where the pandemic had jeopardised whole swathes of fundraising activity. The staff, predominantly in the Care Team who continued to work did so under tight infection control procedures at The Ark and also by adapting work practices to engage children and families safely from home. Home working staff were given IT equipment and soft phone technology to ensure the Charity was able to operate effectively despite the considerable challenges.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Human Resources and People Development (Continued)

The volunteer workforce was forced to suspend their duties apart from Home Support Volunteers who continued to support families through the pandemic by offering Zoom calls and practical non-contact support where possible. Noah's Ark volunteers are fundamental to the Charity's growth and sustainability: supporting our families, working alongside staff in support functions and fundraising. Keen to get volunteering back to pre-pandemic levels is a Charity priority; and the appointment of a Volunteer Development Manager to grow and develop the Charity's volunteering programme has been welcomed. The Trustees and staff offer their grateful thanks to all our volunteers who give up their time to help the Charity achieve its goals and who have stayed with us during the enforced period of non-activity.

The UK shortage of paediatric palliative care nurses has presented a great challenge to the Charity this year. Nurse recruitment has been very difficult and the Charity continues to find ways to attract and retain a specialised workforce e.g. offering the NHS pension and adopting an equivalent Agenda for Change pay scale, especially to ensure our clinical services are fully operational.

The effects of the pandemic have unsettled the country's workforce and Noah's Ark is no exception. The Charity is doing all it can to ensure all staff feel happy, supported and settled in their roles through staff surveys, the Wellbeing programme, Mental Health First Aiders and the employee forum.

The Charity was also proactive in terms of securing Covid-19 vaccines for our staff and our volunteers through Barnet hospital. We are now promoting a programme of Covid-19 Boosters among staff and volunteers, which is reporting strong take up. We are also grateful to Centinel Medical Care for providing the flu vaccine for staff pro bono.

Remuneration for Staff

The pay of the Senior Leadership Team and staff is reviewed annually by the Remuneration subcommittee and benchmarked against the mid-range point for similar charities. The Remuneration subcommittee ensures pay parity for the workforce.

Following the end of the financial period under review, the Charity took the decision to transfer the whole Care Team to the NHS's Agenda for Change (outer) salary scale and opt our nurses into the NHS Pension scheme. This should promote better staff retention and ensure parity for future Care Team recruitment.

Details of related party transactions are disclosed in the notes.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

FINANCIAL REVIEW

The results for the 15 months ended 31 March 2021 are set out on page 41.

| | Total income | Expenditure | 2021 Surplus | 2019 Surplus |
|---------|---------------------|--------------------|-------------------------|-------------------------|
| £ | | | | |
| Charity | 7,672,307 | 4,044,795 | 3,627,512 | 3,353,344 |

The overall net surplus for the 15 month period amounted to £3,627,512 (12 months to December 2019: £3,354,344).

Noah's Ark Trading ceased operations in 2019.

The Building the Ark Appeal was completed in 2019 when the charity formally transferred into and opened The Ark.

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

While 2019 was all about completing the build of The Ark and fitting it out, 2020 was focused on opening it up in order to provide services to the babies, children and young people who meet our criteria.

In the 15 months ended 31 March 2021, total charity income was £7,672,307. This was 19% above the prior period. When excluding funds raised through our Building The Ark Appeal (which substantively finished at the end of 2019), voluntary donation income increased to £5.3m (excluding Gift Aid) from £2.7m (excluding Gift Aid) which was a real achievement in such difficult circumstances, when many of our activities and events had to be cancelled due to Covid-19. It is still the case that the bulk of our income, 74% in the period, was derived from voluntary donations including Gift Aid. However, we were also fortunate to have received in excess of £1.7m in Government Covid-19 funding for hospices, furlough grants and other Covid-19 related grant income. Our newly opened Woodlands Wing and other hospice services generated £220,264 in the period (2019: £nil).

Despite the increase in income, total expenditure remained within budgeted (and reforecast) levels. This was even after a (planned) more than doubling of our depreciation charge following the completion and opening of The Ark. Lower than anticipated costs are attributable to staff vacancies in our Care Team, lower staff costs in some areas due to a small number of non-Care staff redundancies and a departmental restructuring, fewer event costs (caused by cancelled events due to Covid-19) and a decline in travel and subsistence and related costs due to many staff working from home, as well as strict cost control across all areas of the Charity.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Financial review (continued)

We also furloughed some 35% of staff at the start of the Covid-19 pandemic. In order to support and retain these staff members after the pandemic eased, the Trustees decided to top up the furlough to 100% of salary during the furlough period. Other than a small number of redundancies and leavers, we gradually brought all other furloughed staff back to work before the end of the 15 month period.

Total expenditure also includes our charitable activities. The total cost of charitable activities (i.e. delivering Care to our children and running The Ark) rose by 49% to £3,299,028, reflecting the fact that we formally opened The Ark in September 2019. Total charitable activities account for 82% of total costs, up from 71% last year. Staff salaries account for 71% of the total charitable activities costs.

Reserves Policy

The Trustees have reviewed the reserves policy in light of the opening of The Ark (and the need to recruit and retain more Care staff, in particular nurses). They have also considered the effect of Covid-19 on our Charity specifically and the impact on the wider economy. With this in mind, they maintain a cautious outlook for 2021/22. The impact of the pandemic has been widespread and has yet to fully abate. This means that the Charity remains cautious about holding events, particularly with large numbers of individuals. In addition, we are mindful of the extraordinary generosity of our donors during 2020, some of which may not be repeated at the same level in the coming year.

The Trustees concluded that our reserves policy should be amended to maintain a minimum of 6-9 months of unrestricted free reserves to enable the unrestricted operating activities of the Charity to continue. Unrestricted free reserves totalled £3,703,463 as at 31 March 2021. Future expenditure in the 2021/22 budget (before depreciation) is estimated at £4m. Hence, this equates to 11 months of unrestricted free reserves cover. At the time of signing the statutory accounts, the Trustees consider the level of total cash resources to be adequate for the Charity's needs.

The Trustees decided to designate £965,125 during the period. This related to 4 key areas; £148,125 was designated to increase the fixed asset fund which specifically relates to the hospice building, including fixtures and fittings, and the external landscape, £157,000 was designated for essential clinical equipment for The Ark and adaptations to the building, £510,000 was designated for digital transformation to improve supporter engagement over the coming three-year strategic period and refresh the Noah's Ark brand and £150,000 was designated for clinical support – specifically a multi-year contract with our key local hospital in Barnet for 24/7 paediatric consultant cover and pharmacy support.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Financial Review (Continued)

Financial Sustainability and Going Concern

During the 15 months under review, the Charity carried out three very successful fundraising appeals. These campaigns raised significant funds for the Charity. In addition, we received considerable Government Covid-19 funding for hospices and other specific Covid-19 funding. We also furloughed over a third of the staff resulting in a significant furlough grant.

While we had to cancel our gala dinner and many challenge events, individuals, trusts and major donors very generously supported our vital work. Their support allowed us to open The Ark earlier than planned in response to Covid-19 and provide a wide range of comprehensive care, particularly at end of life to 12 children and their families. The Charity ended the period in a strong financial position with unrestricted free reserves of £3.7m. This equates to 11 months of unrestricted free reserves cover.

After the end of the period, during November 2021, the matched funding appeal, 'No Child Left Behind' ensured that the Charity will be financially robust for the next 12 months, based on our financial forecast. Based on our work with local commissioners to accept children from adjacent geographical areas, our newly agreed geographical boundaries between Noah's Ark and our fellow hospices mean that we anticipate that our hospice grant will increase again next year. The Trustees therefore consider that we have sufficient cash resources for the future operating needs of the Charity and remain a going concern.

Risk Management

Noah's Ark has developed its formal risk management process through the identification and management of risk by the Senior Leadership Team and the respective subcommittees. The risk process covers strategic and operational risk. The Trustees review all significant risk and mitigation throughout the year and are satisfied that the process and systems developed are in place to manage identified risks to an acceptable level.

Four key potential risks have been identified, together with measures to mitigate the effects. These are:

- **Financial risk**—the longer term impact of the Coronavirus pandemic remains largely unknown. We are grateful that significant Government funding was received in the period. The Trustees are continuing to monitor cash flow regularly.
- **Potential failure in healthcare delivery**—Noah's Ark conducts strong governance and accident, incident, compliment and complaint reporting - which is also analysed on a monthly basis to identify specific themes. Action is then taken to learn from the analysis. Furthermore, the skill-set of the Care Team is reviewed in line with CQC guidelines.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Financial Review (Continued)

Risk Management (Continued)

- **Staff recruitment, retention and development**—we have comprehensive plans in order to recruit more staff. These include adverts and the use of recruitment agencies for substantive and agency staff, plans to bolster our bank staff and an advertising and marketing strategy for recruitment. In terms of retention and development of staff there are robust engagement and development plans and continued review of staff benefits are conducted by the Charity in order to ensure staff fulfilment and retention. A staff and volunteer survey was carried out at the start of 2020 and has been repeated in 2021. We have established a regular employee forum and reinforced monthly meetings between each staff member and their immediate manager. The consequent risk to statutory income from vacancies in the Care Team is also regularly monitored.
- **Infection risk from Covid-19 among staff and the babies, children and young people we care for**—strict infection control procedures and reporting are in place. Risk assessments and procedures to minimise the impact of coronavirus in The Ark and potential spread among staff and service users are reviewed regularly and updated, particularly as Government guidelines have changed. All staff have been regularly testing and visitors to The Ark have been tested on arrival.

The impact of the Covid-19 crisis was significant on the Charity sector and hospices were no exception. We strove to provide a comprehensive service to a larger number of children at a time when voluntary income was significantly impacted. We prudently reduced our donation income budget. Despite this we have worked closely with the NHS, our commissioners and local authorities to access statutory funding. The Government Covid-19 appeal provided timely financial support through several monthly grant payments to help us provide vital support to maintain our services during a difficult time.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Noah's Ark – The Children's Hospice is registered as a Charity with the Charity Commission for England and Wales. It is a charitable company limited by guarantee with no share capital and it is governed by its Memorandum and Articles of Association which were revised on 31 July 2018. The liability of each member in the event of winding up is limited to a maximum of £1.

In accordance with its Articles of Association, there shall be no fewer than three directors at any one time. The Directors, who are also the Charity Trustees and the members, are normally appointed by a Board resolution, but may also be appointed by an ordinary resolution passed by the members. No director receives remuneration from the Charity.

FOR THE PERIOD ENDED 31 MARCH 2021**DIRECTORS' REPORT (CONTINUED)****Structure, Governance and Management (Continued)**

New Trustees are appointed in accordance with the Trustee Recruitment policy and after an interview with at least the Chairman, Chief Executive and other Trustees. They are inducted into the Charity through a series of briefings by senior management and visits to the organisation, with the opportunity to meet all employees. New Trustees are provided with copies of recent statutory accounts, key internal documents such as board reports, internal structure and governance documents, in addition to marketing and communications brochures and copies of relevant Charity Commission literature, such as 'The Essential Trustee'. The Board aims to ensure that there is a good balance of Trustees who are diverse in nature. This facilitates proper discussion and enhances decision-making. Trustees come from different backgrounds and have a wide variety of careers and experience.

Four Trustees retired from the Trustee board during the period under review – namely David Lazarus, Treasurer, David Greenhalgh- Todd, Nilesh Jethwa and Jonathan Rose. The Charity would sincerely like to thank each of them for their significant contributions.

The Charity was successful in recruiting four new Trustees during the period – Richard Amat, who has worked with the Charity over several years as a finance and strategy volunteer, as Treasurer; Paul Pomroy, who has supported the Charity through his role at McDonald's which generously installed the professional kitchen in The Ark; Michelle Mendelsson who has also been a donor and supporter of Noah's Ark over several years and Dr Sanjiv Patel, who brings a wealth of clinical and relevant practical experience in his role as CEO of a Healthcare organisation. These new Trustees each sit on one or more subcommittee as well as attending Trustee meetings.

Trustees undertake regular training, including attendance at internal meetings, briefings and Trustee away days. Trustees also attend relevant external training. Trustees are supplied with the 'Charity Governance Code' and the Board ensures that they take their responsibilities towards the governance of the Charity seriously. This includes adherence to relevant legislation and regulations as well as implementing policies to ensure the Charity's objectives are met and the highest standards of governance are maintained. This includes regular attendance at Trustee meetings and subcommittees which meet quarterly, led by Trustees and supported by appropriate members of the Senior Leadership Team, and are:

- Finance, Audit, Non-Clinical Governance, Investment and Non-Clinical Risk Subcommittee
- Care and Clinical Governance Subcommittee
- People, Rewards and HR Subcommittee
- Income Generation and Communications Subcommittee
- Remuneration Subcommittee

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Structure, Governance and Management (Continued)

There are up to six full Board meetings per year, although the Board has been meeting more frequently since the start of the coronavirus pandemic to deal with the unprecedented situation.

Delegation and decision making

In terms of decision making, operational decisions are taken by the Senior Leadership Team. The Senior Leadership Team comprises the Chief Executive and the Charity's four senior directors (Care, Income Generation, Finance and People & Operations /Deputy CEO). Key decisions may also be taken in conjunction with specific employees where they have specialist knowledge or experience. The Senior Leadership Team has typically met three times per week and was in contact on a daily basis during the start of the Coronavirus pandemic. Strategic initiatives, approval of the annual budget, management accounts and statutory accounts, as well as senior appointments are some of the key matters discussed at the relevant subcommittees and taken to the Board of Trustees for approval and sign off as appropriate.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The Trustees, who are also Directors of the charitable company, are responsible for preparing their report and the financial statements in accordance with applicable law and regulations.

Company Law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. The financial statements are required by law to give a true and fair view of the state of the affairs of the charitable company and of the surplus or deficit for that period. In preparing these financial statements the Trustees are required to:

- Select suitable accounting policies and apply them consistently.
- Observe methods and principles in the Charity SORP.
- Make judgements and estimates that are reasonable and prudent.
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the charitable company will continue in operation.

FOR THE PERIOD ENDED 31 MARCH 2021

DIRECTORS' REPORT (CONTINUED)

Statement of Trustees Responsibilities (Continued)

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

STATEMENT OF DISCLOSURE TO THE AUDITOR

So far as the Board of Trustees are aware:

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

The Trustees' Report incorporates the Strategic Report which has been approved and authorised for issue by order of the Board.



Mr Jeremy Isaacs CBE
Chairman

Date: 13 December 2021

FOR THE PERIOD ENDED 31 MARCH 2021**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF NOAH'S ARK – THE CHILDREN'S HOSPICE****Opinion**

We have audited the financial statements of Noah's Ark – The Children's Hospice for the period ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes to the financial statements, 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 Financial Reporting Standard 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 charitable company's affairs as at 31 March 2021 and of the charitable company's net movement in funds, including the income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charity 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

FOR THE PERIOD ENDED 31 MARCH 2021**Independent Auditor's Report to The Members and Trustees of Noah's Ark – The Children's Hospice (Continued)****Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Report. 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.

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 (which includes the strategic report and the directors' report prepared for the purposes of company law) for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report (which incorporates the strategic report and the directors' 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:

- adequate accounting records have not been kept by the charitable company; or
- the charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

FOR THE PERIOD ENDED 31 MARCH 2021

Independent Auditor's Report to The Members and Trustees of Noah's Ark – The Children's Hospice (Continued)

Responsibilities of Trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 35, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue 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 financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Based on our understanding of the charitable company and the environment in which it operates, we identified the principal risks of non-compliance with laws and regulations, related regulatory requirements of the Care Quality Commission, Charity Commission, Fundraising regulations, Employment law and GDPR and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, the Charities Act 2011 and payroll tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting trustees' meeting minutes;
- Inspecting correspondence with regulators and tax authorities;

FOR THE PERIOD ENDED 31 MARCH 2021

Independent Auditor's Report to The Members and Trustees of Noah's Ark – The Children's Hospice (Continued)

- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing journals, in particular journal entries posted with unusual account combinations, postings by unusual users or with unusual descriptions; and
- Challenging assumptions and judgements made by management in their critical accounting estimates.

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

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Kathryn Burton (Senior Statutory Auditor)

For and on behalf of Haysmacintyre LLP,
Statutory Auditor

10 Queen Street Place
London
EC4R 1AG

Date: 15th December 2021
.....

FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021
**STATEMENT OF FINANCIAL ACTIVITIES
 (INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

| | | 15 Months Ended 31 March 2021 | 15 Months Ended 31 March 2021 | 15 Months Ended 31 March 2021 | 12 Months Ended 31 December 2019 |
|---|-------------|--|--|--|---|
| | | Unrestricted Funds £ | Restricted Funds £ | Total £ | Total £ |
| Income from | Note | | | | |
| <i>Donations & legacies</i> | | | | | |
| Donations | | 3,816,283 | 1,498,819 | 5,315,102 | 2,650,290 |
| Building The Ark Appeal | | - | - | - | 3,408,592 |
| Legacies | | 80,500 | - | 80,500 | 60,758 |
| Gift aid | | 262,332 | - | 262,332 | 132,686 |
| <i>Investments</i> | 3 | 3,073 | - | 3,073 | 6,761 |
| <i>Other trading activities</i> | 4 | 10,586 | - | 10,586 | - |
| <i>Charitable activities</i> | | | | | |
| Statutory grants | 4 | - | 1,780,450 | 1,780,450 | 154,219 |
| Other grants | 4 | - | - | - | 45,705 |
| Income from charitable activities | 4 | 220,264 | - | 220,264 | - |
| Total | | <u>4,393,038</u> | <u>3,279,269</u> | <u>7,672,307</u> | <u>6,459,011</u> |
| Expenditure on | | | | | |
| <i>Raising funds</i> | | | | | |
| Costs of generating voluntary income | | 403,284 | 329,457 | 732,741 | 503,960 |
| Costs relating to Building The Ark appeal | | - | - | - | 207,675 |
| Costs of activities generating income | | 13,026 | - | 13,026 | 139,303 |
| Fundraising trading costs | | - | - | - | 47,173 |
| <i>Charitable activities</i> | | | | | |
| Care services | | 370,766 | 2,639,757 | 3,010,523 | 1,964,077 |
| Sustaining The Ark | | 8,580 | 279,925 | 288,505 | 243,479 |
| Total | 5 | <u>795,656</u> | <u>3,249,139</u> | <u>4,044,795</u> | <u>3,105,667</u> |
| Net income and Net movement in funds | | 3,597,382 | 30,130 | 3,627,512 | 3,353,344 |
| Reconciliation of funds | | | | | |
| Total funds brought forward | | 11,058,147 | 353,089 | 11,411,236 | 8,057,892 |
| Total funds carried forward | 16 | <u>14,655,529</u> | <u>383,219</u> | <u>15,038,748</u> | <u>11,411,236</u> |

The results for the period are derived from continuing operations.

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

BALANCE SHEET
AS AT 31 MARCH 2021

| | | As at 31 March 2021 | | As at 31 December 2019 | |
|---|-------|---------------------|--------------------------|------------------------|--------------------------|
| | Notes | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Tangible fixed assets | 9 | | 10,135,066 | | 10,369,278 |
| Investments | 10 | | - | | 2 |
| | | | <u>10,135,066</u> | | <u>10,369,280</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 11 | 613,175 | | 570,772 | |
| Cash at bank and in hand | | <u>4,602,635</u> | | <u>1,258,878</u> | |
| | | 5,215,810 | | 1,829,650 | |
| CREDITORS: amounts falling due within one year | | | | | |
| | 12 | <u>(312,128)</u> | | <u>(787,694)</u> | |
| NET CURRENT ASSETS | | | 4,903,682 | | 1,041,956 |
| NET ASSETS | | | <u>15,038,748</u> | | <u>11,411,236</u> |
| FUNDS | | | | | |
| Restricted funds | 14 | | 383,219 | | 353,089 |
| Unrestricted funds | | | | | |
| General | 15 | | 3,703,463 | | 1,071,206 |
| Designated | 15 | | <u>10,952,066</u> | | <u>9,986,941</u> |
| | | | <u>15,038,748</u> | | <u>11,411,236</u> |

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



Mr Jeremy Isaacs CBE
 Chairman
 13 December 2021

Accompanying notes form an integral part of these accounts.

CASH FLOW STATEMENT

FOR THE 15 MONTH PERIOD ENDED 31 MARCH 2021

| | 15 months ended 31 March 2021 Total funds | | 12 months ended 31 December 2019 Total funds | |
|---|---|------------------|--|--------------------|
| | £ | £ | £ | £ |
| Cash flows from operating activities | | 3,492,592 | | 3,152,786 |
| Cash flows from investing activities: | | | | |
| Dividends, interest and rents from investments | 3,073 | | 6,761 | |
| Purchase of property, plant and equipment | (151,908) | | (3,326,167) | |
| Net cash used in operating activities | | (148,835) | | (3,319,406) |
| Change in cash and cash equivalents in the reporting period | | 3,343,757 | | (166,620) |
| Cash and cash equivalents brought forward | | 1,258,878 | | 1,425,498 |
| Cash and cash equivalents carried forward | | 4,602,635 | | 1,258,878 |
| | | 2021 | | 2019 |
| | | £ | | £ |
| Reconciliation of net movement in funds to cash flow from operating activities | | | | |
| Net movement in funds | | 3,627,512 | | 3,353,344 |
| Depreciation charges | | 328,723 | | 143,525 |
| Dividends, interest and rents from investments | | (3,073) | | (6,761) |
| (Increase) in debtors | | (42,402) | | (450,908) |
| (Decrease)/increase in creditors | | (475,565) | | 113,586 |
| Loss on disposal of fixed assets | | 57,397 | | - |
| Net cash provided by investing activities | | 3,492,592 | | 3,152,786 |

FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP Second Edition, effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Noah's Ark – The Children's Hospice meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Going Concern

The Trustees have considered the impact of Covid-19 on the Charity. Further information can be found in the Trustee Report section titled Financial Sustainability and Going Concern. The review of our financial position, reserves levels and future plans gives Trustees confidence that the Charity remains a going concern for the foreseeable future. As part of this review budgets for the year to 31 March 2022 and cash flow projections to 31 December 2022 prepared by management have been assessed by the Trustees. The Trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern.

Critical accounting judgements and estimates and key sources of estimation uncertainty

In the application of these accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results may ultimately differ from those estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects current and future periods. The Trustees consider the following items to be areas subject to estimation and judgement:

FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Depreciation: the useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively. Although tangible fixed assets are significant, variances between actual and estimated useful economic lives will not have a material impact on the operating results. Historically, no changes have been required.

Income from legacies: when recognising legacy income, entitlement is taken to be the earlier date of when the Charity becomes aware that probate has been granted, when the estate has been finalised and notification made by the executors that a distribution will be made, or when the distribution is received. Certainty of receipt and reliable measurement depend on the individual case, and particularly whether the value of a significant unsold asset (e.g. a house) can be reliably measured.

In the view of the Trustees, no assumptions concerning the future or estimated uncertainty affecting assets or liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

Income

All income is recognised once the Charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Donation income is accounted for where there is entitlement, probability and income is measurable. For legacies, entitlement is taken as the earlier of the date on which either the Charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made or when a distribution is received from the estate.

Generating Funds

Income is accounted for on a cash received and accruals of known income basis unless related to an event scheduled to take place in a later accounting period in which case it is deferred until after the event has taken place. The main sources of income are analysed in the Notes.

Investment Income

Investment income reflects the amount receivable for the year.

FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Gifts in kind

No amounts are included in the financial statements for goods or services donated.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Charitable activities relate to the direct provision of care in The Ark and community. Raising funds relate to fundraising costs. Governance costs are those associated with constitutional and statutory requirements and is now apportioned on the same basis as support costs. Salary costs have been allocated based on time spent in each area by each member of staff. All other support costs including support staff salaries not directly attributable to an expenditure category are shown as support costs and have been apportioned on the basis of floor space across each activity.

Value added tax

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

Leases

Payments under operating leases are charged to the Statement of Financial Activities on a straight line basis over the life of the lease.

Tangible Fixed Assets

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

| | |
|---|--|
| Leasehold property | over the length of the lease |
| Fixtures, fittings and computer equipment | pre-Hospice 25% straight line, Hospice 10% straight line |
| Buildings | Environment Centre ('E-Centre') 30 years, Hospice 50 years |

Investments

Investments are included in the financial statements at market value at the balance sheet date. Realised and unrealised gains and losses on revaluation and disposals occurring in the year are reported in the Statement of Financial Activities.

FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

General funds are unrestricted funds which can be used at the discretion of the Trustees in accordance with the objectives of the Charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The purposes and uses of the restricted funds are set out in note 14.

Pensions

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

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments.

Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Employee benefits

- **Short term benefits** Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.
- **Employee termination benefits** Termination benefits are accounted for on an accrual basis and in line with FRS 102.

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

| 2. SURPLUS FOR THE YEAR | 2021 | 2019 |
|-----------------------------------|-------------|-------------|
| | £ | £ |
| Surplus is stated after charging: | | |
| Auditor's remuneration | 12,700 | 13,342 |
| Depreciation | 328,723 | 143,525 |
| Operating lease rentals | 29,525 | 24,898 |

| 3. INVESTMENT INCOME | 2021 | 2019 |
|-----------------------------|--------------|--------------|
| Unrestricted funds | £ | £ |
| Bank interest received | 3,073 | 6,761 |
| | <u>3,073</u> | <u>6,671</u> |

All investment income in both years was unrestricted.

| 4. OTHER TRADING ACTIVITIES | 2021 | 2019 |
|--|---------------|-------------|
| Unrestricted funds | £ | £ |
| Merchandise | 947 | - |
| Event income from Noah's Ark events | 5,777 | - |
| Challenge events registration fee income | 188 | - |
| E-Centre income | 2,745 | - |
| Sundry trading income | 929 | - |
| | <u>10,586</u> | <u>-</u> |

All other trading activity income was unrestricted.

| INCOME FROM GRANTS | 2021 | 2019 |
|-----------------------------------|------------------|----------------|
| | £ | £ |
| <i>Statutory grants</i> | | |
| Section 64 grant for hospices | 203,457 | 154,219 |
| Government furlough grant | 157,672 | - |
| Government Covid-19 Hospice grant | 1,394,321 | - |
| Local authority Covid-19 grant | 25,000 | - |
| <i>Other grants</i> | - | 45,705 |
| | <u>1,780,450</u> | <u>199,924</u> |

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
INCOME FROM CHARITABLE ACTIVITIES

| | 2021 | 2019 |
|--|----------------|-------------|
| | £ | £ |
| Care income | 216,390 | - |
| Income from the Hospice's Rainbow Café | 3,874 | - |
| | <u>220,264</u> | <u>-</u> |

5. EXPENDITURE

| | Direct & Directly Allocated Costs | Support Costs | Total for 15 months ended 31 March 2021 |
|---|--|--------------------------|--|
| | £ | £ | £ |
| CURRENT PERIOD | | | |
| Raising funds | | | |
| Costs of generating voluntary Income | 593,987 | 138,754 | 732,741 |
| Costs of activities for generating income | 13,026 | - | 13,026 |
| Charitable activities | | | |
| Care services | 2,039,247 | 971,276 | 3,010,523 |
| Sustaining The Ark | 242,253 | 46,252 | 288,505 |
| | <u>2,888,513</u> | <u>1,156,282</u> | <u>4,044,795</u> |

PRIOR YEAR

| | Direct & Directly Allocated Costs | Support Costs | Total for 12 months ended 31 Dec. 2019 |
|---|--|--------------------------|---|
| | £ | £ | £ |
| Costs of generating voluntary Income | 447,313 | 56,647 | 503,960 |
| Costs relating to Building The Ark Appeal | 207,675 | - | 207,675 |
| Costs of activities for generating Income | 139,303 | - | 139,303 |
| Fundraising trading costs | 47,173 | - | 47,173 |
| Charitable activities | | | |
| Care services | 1,643,076 | 321,001 | 1,964,077 |
| Sustaining The Ark | 243,479 | - | 243,479 |
| | <u>2,728,019</u> | <u>377,648</u> | <u>3,105,667</u> |

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
5. EXPENDITURE (continued)

| | Premises £ | Finance and Administration £ | IT and Communications £ | Total 2021 £ |
|---------------------------------------|----------------|------------------------------------|-------------------------------|--------------------|
| SUPPORT COSTS – CURRENT PERIOD | | | | |
| Raising funds | | | | |
| Costs of generating voluntary income | 36,901 | 78,855 | 22,998 | 138,754 |
| Charitable activities | | | | |
| Care services | 258,305 | 551,984 | 160,987 | 971,276 |
| Sustaining The Ark | 12,300 | 26,286 | 7,666 | 46,252 |
| | <u>307,506</u> | <u>657,125</u> | <u>191,651</u> | <u>1,156,282</u> |
| SUPPORT COSTS – PRIOR YEAR | | | | |
| Raising funds | | | | |
| Costs of generating voluntary income | 3,039 | 44,646 | 8,962 | 56,647 |
| Charitable activities | | | | |
| Care services | 17,224 | 252,996 | 50,781 | 321,001 |
| Sustaining The Ark | - | - | - | - |
| | <u>20,263</u> | <u>297,642</u> | <u>59,743</u> | <u>377,648</u> |

| | 15 months ended 31 March 2021 £ | 12 months ended 31 December 2019 £ |
|----------------------------|---------------------------------------|---|
| 6. GOVERNANCE COSTS | | |
| Staff costs | 88,099 | 62,274 |
| Audit fees | 16,100 | 13,342 |
| Trustee meeting expenses | 139 | 1,670 |
| | <u>104,338</u> | <u>77,286</u> |

Governance costs are included within Finance and administration costs and have been allocated in line with support costs as per Note 5 above.

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

| 7. STAFF COSTS | 2021 | 2019 |
|-----------------------|------------------|------------------|
| | £ | £ |
| Wages and salaries | 2,530,532 | 1,847,527 |
| Employer's NI | 257,953 | 179,858 |
| Pension costs | 102,208 | 72,321 |
| Redundancy pay | 18,383 | - |
| | <u>2,909,076</u> | <u>2,099,706</u> |

The average number of employees during the 15 month period was 62 (2019: 58). On average 13 (2019: 16) employees were directly employed in fundraising and communications activities and 37 (2019: 30) employees were directly employed in Care. On average no employee was engaged in the Building The Ark Appeal (2019: 1). The remaining employees were involved in all aspects of running the Charity. The actual number of employees as at 31 March 2021 was 54 (31 December 2019: 63). Redundancy pay above relates to 5 employees (2019: 0) who left the Charity during the period. All redundancy costs were paid by the end of the period.

Number of staff with remuneration in excess of £60,000 in the year for the full 15 month period are as follows:

| Employee remuneration £ | 15 months ended 31 March 2021 | 12 months ended 31 December 2019 |
|--------------------------------|--|---|
| £60,000 – £70,000 | 1 | 1 |
| £70,000 – £80,000 | 1 | 1 |
| £80,000 – £90,000 | 2 | 2 |
| £90,000 – £100,000 | 1 | - |
| £100,000 – £110,000 | 1 | 1 |
| £130,000 – £140,000 | 1 | - |

Number of staff with remuneration in excess of £60,000 for the 12 month period from 1 April 2021 to 31 March 2021 are as follows:

| Employee remuneration £ | 12 months ended 31 March 2021 | 12 months ended 31 December 2019 |
|--------------------------------|--|---|
| £60,000 – £70,000 | 2 | 1 |
| £70,000 – £80,000 | 2 | 1 |
| £80,000 – £90,000 | 1 | 2 |
| £100,000 – £110,000 | 1 | 1 |

Key management personnel comprise the Senior Leadership Team. The total employee benefits of the key management personnel of Charity for the 15 months ending 31 March 2021 were £593,204 (12 months ending 31 December 2019: £401,971).

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
8. DIRECTORS' REMUNERATION

No Trustees received any remuneration during the current or prior year.

No Trustee was reimbursed travel expenses in the year (2019: One Trustee was reimbursed for travel expenses of £113).

9. FIXED ASSETS

| | Hospice and E- Centre £ | Fixtures, Fittings and Equipment £ | Motor Vehicles £ | 31 March 2021 £ |
|----------------------------|----------------------------------|--|------------------------|-----------------------|
| Cost | | | | |
| At 1 January 2020 | 10,215,137 | 417,652 | 5,558 | 10,638,347 |
| Additions | 49,270 | 94,138 | 8,500 | 151,908 |
| Disposals | (53,798) | - | (5,558) | (59,356) |
| | <u>10,210,609</u> | <u>511,790</u> | <u>8,500</u> | <u>10,730,899</u> |
| Depreciation | | | | |
| At 1 January 2020 | 228,196 | 40,568 | 305 | 269,069 |
| Charge for the year | 256,563 | 68,912 | 3,248 | 328,723 |
| Disposals | - | - | (1,959) | (1,959) |
| | <u>484,759</u> | <u>109,480</u> | <u>1,594</u> | <u>595,833</u> |
| Net Book Value | | | | |
| At 31 March 2021 | <u>9,725,850</u> | <u>402,310</u> | <u>6,906</u> | <u>10,135,066</u> |
| At 31 December 2019 | <u>9,986,941</u> | <u>377,084</u> | <u>5,253</u> | <u>10,369,278</u> |

All assets are for operational and charitable purposes.

10. FIXED ASSET INVESTMENTS

| | Shares in Subsidiary Undertakings £ | Total for 15 Months ended 31 March 2021 £ |
|---------------------|--|--|
| Cost or valuation | | |
| At 1 January 2020 | 2 | 2 |
| Disposal | (2) | (2) |
| | <u>-</u> | <u>-</u> |
| At 31 March 2021 | <u>-</u> | <u>-</u> |
| At 31 December 2019 | <u>2</u> | <u>2</u> |

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
10. FIXED ASSET INVESTMENTS (CONTINUED)
Shares in subsidiary undertakings

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

Maleberry Limited
 Noah's Ark Trading Limited

Maleberry Limited was incorporated on 2 February 2011, with a principal activity of the design and build of the E-Centre. It was dissolved in January 2020.

Noah's Ark Trading Limited was incorporated on 10 June 2011, with a principal activity of retailing. It was dissolved in June 2021.

11. DEBTORS

| | As at 31 March 2021 £ | As at 31 December 2019 £ |
|------------------------------------|-----------------------------|--------------------------------|
| Trade debtors | 39,549 | 4,346 |
| Other debtors | 1,500 | 2,337 |
| Prepayments and accrued income | 549,757 | 523,475 |
| Other taxation and social security | 22,369 | 40,614 |
| | <u>613,175</u> | <u>570,772</u> |

12. CREDITORS: amounts falling due within one year

| | As at 31 March 2021 £ | As at 31 December 2019 £ |
|------------------------------|-----------------------------|--------------------------------|
| Trade creditors | 69,573 | 183,085 |
| Accruals | 166,515 | 264,617 |
| Other creditors | 16,431 | 271,923 |
| Taxation and social security | 59,609 | 68,069 |
| | <u>312,128</u> | <u>787,694</u> |

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
13. COMPANY STATUS

The company is a company limited by guarantee. The members of the company are the Trustees named on page 3. The liability in respect of the guarantee is limited to £1 for each member while he or she is a member or within 12 months after he or she ceases to be a member in the event of the dissolution of the company.

| 14. RESTRICTED FUNDS | Balance at 1 January 2020 | Income | Expenditure | Transfers Between Funds | Balances at 31 March 2021 |
|--|--|------------------|--------------------|--|---|
| | £ | £ | £ | £ | £ |
| Building The Ark Appeal | 264,942 | 220,098 | (457,036) | (28,004) | - |
| Sensory Walkway and Nature Reserve Sensory Trail Fund | - | 250,700 | (3,789) | - | 246,911 |
| Community Service | | | | | |
| - Nursing and Specialist Carers Fund | 22,813 | 405,805 | (325,150) | - | 103,468 |
| - Creative Therapies Fund | 3,428 | 96,500 | (76,999) | - | 22,929 |
| - Family Link Fund | 18,413 | 8,038 | (26,451) | - | - |
| - Family Activities Fund | 7,200 | 4,881 | (12,081) | - | - |
| Department of Health Fund – S64 | 33,908 | 203,457 | (237,365) | - | - |
| Wishes Fund | 28 | - | (28) | - | - |
| Employee Training Fund | 1,641 | - | (1,641) | - | - |
| Clinical Equipment Fund | 716 | 55,546 | (74,355) | 28,004 | 9,911 |
| General Care Fund including Covid-19 grants and furlough | - | 2,034,244 | (2,034,244) | - | - |
| | <u>353,089</u> | <u>3,279,269</u> | <u>(3,249,139)</u> | <u>-</u> | <u>383,219</u> |
| RESTRICTED FUNDS – PRIOR YEAR | Balance at 1 January 2019 | Income | Expenditure | Transfers Between Funds | Balances at 31 December 2019 |
| | £ | £ | £ | £ | £ |
| Building The Ark Appeal | 6,717,200 | 3,408,592 | (207,675) | (9,653,175) | 264,942 |
| Sustaining The Ark Fund | - | - | (243,479) | 243,479 | - |
| Community Service | | | | | |
| - Nursing and Specialist Carers Fund | 28,605 | 192,994 | (203,948) | 5,162 | 22,813 |
| - Creative Therapies Fund | 10,000 | 54,717 | (61,289) | - | 3,428 |
| - Family Link Fund | 2,667 | 23,968 | (5,555) | (2,667) | 18,413 |
| - Family Activities Fund | 18,743 | 20,294 | (30,822) | (1,015) | 7,200 |
| Department of Health Fund – S64 | 31,250 | 135,638 | (132,983) | 3 | 33,908 |
| Wishes Fund | 878 | - | (850) | - | 28 |
| Employee Training Fund | 3,250 | - | (704) | (905) | 1,641 |
| Clinical Equipment Fund | - | 716 | - | - | 716 |
| | <u>6,812,593</u> | <u>3,836,919</u> | <u>(887,305)</u> | <u>(9,409,118)</u> | <u>353,089</u> |

FOR THE PERIOD ENDED 31 MARCH 2021**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****14. RESTRICTED FUNDS (CONTINUED)**

The Building The Ark Appeal was established to raise funds towards the building and running costs of a children's hospice on land owned by the Charity in Barnet. The transfer in 2019 represents the land and building costs of the Ark, costs previously capitalised, which have now been transferred as there is no ongoing restriction as to the use of this asset upon completion of construction.

The Sensory Walkway and Nature Reserve Sensory Trail Fund was established to build a sensory walkway within The Ark grounds and a sensory trail around the nature reserve.

The Sustaining The Ark Fund represents the funds raised by the Fund for the running costs of The Ark. This includes maintenance costs and other operational costs associated with running the hospice.

The Nursing and Specialist Carers Fund was established in 2010. The Fund provides respite for parents and family members, allowing full responsibility for the care of the life-limited or life-threatened child to be delegated to a trained nurse and / or specialist carer, both in The Ark and in the community. Major donors to this fund in the period included the London Community Response Fund and Children In Need.

The Creative Therapies Fund is used specifically to provide music, and drama and movement therapy, for life limited and life threatened children and their siblings. The City Bridge Trust is the major donor to the Fund.

The Family Link Fund was established following receipt of restricted donations to provide social workers to families.

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

The Department of Health Fund was established following the receipt of a Section 64 grant to support palliative care.

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

The Employee Training Fund provides development and training for staff.

The Clinical Equipment Fund provided specific funds for training equipment for use by the Care Team.

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

The General Care Fund provides support to the general Care Team to assist them in providing care to children with life threatening or life limiting conditions. This Fund included Government Covid-19 funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to babies, children and young people with complex needs in the context of the Covid-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose. This Fund also includes funds received under the Government Coronavirus Job Retention Scheme.

15. UNRESTRICTED FUNDS

| | Balance at 1 January 2020 £ | Income £ | Expenditure £ | Transfers between funds £ | Balances at 31 March 2021 £ |
|---------------------------------|--------------------------------------|------------------|------------------|------------------------------------|--------------------------------------|
| Designated funds | | | | | |
| Fixed Assets Fund | 9,986,941 | - | - | 148,125 | 10,135,066 |
| Critical Ark Equipment Fund | - | - | - | 157,000 | 157,000 |
| Digital Transformation Fund | - | - | - | 510,000 | 510,000 |
| Clinical Support Fund | - | - | - | 150,000 | 150,000 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Unrestricted general fund | 1,071,206 | 4,393,038 | (795,656) | (965,125) | 3,703,463 |
| | <hr/> | <hr/> | <hr/> | <hr/> | <hr/> |
| Total unrestricted funds | <u>11,058,147</u> | <u>4,393,038</u> | <u>(795,656)</u> | <u>-</u> | <u>14,655,529</u> |

Designated funds

The Fixed Asset Fund represents funds that the Trustees have agreed to set aside as designated funds as these assets are not easily realised into cash and do not form part of the unrestricted general fund. These include all fixed assets relating to The Ark.

The Critical Ark Equipment Fund is to fund specific clinical equipment and adaptations to the Ark.

The Digital Transformation Fund is to fund three specific projects in relation to supporter development and engagement and the Noah's Ark brand refresh.

The Clinical Support Fund represents funds that the Trustees have set aside for future costs relating to specific support from Barnet Hospital including 24/7 paediatric consultant support and pharmacy cover.

FOR THE PERIOD ENDED 31 MARCH 2021
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

| UNRESTRICTED FUNDS - PRIOR YEAR | Balance at 1 January 2019 £ | Income £ | Expenditure £ | Transfers Between funds £ | Balances at 31 December 2019 £ |
|--|--|---------------------|--------------------------|--|---|
| Designated funds | | | | | |
| Fixed Assets Fund | 1,019,667 | - | - | 8,967,274 | 9,986,941 |
| Unrestricted funds | | | | | |
| Unrestricted general fund | 225,632 | 2,622,092 | (2,218,362) | 441,844 | 1,071,206 |
| Total unrestricted funds | <u>1,245,299</u> | <u>2,622,092</u> | <u>(2,218,362)</u> | <u>9,409,118</u> | <u>11,058,147</u> |

**16. ANALYSIS OF NET ASSETS
BETWEEN FUNDS**

| | Unrestricted Funds £ | Restricted Funds £ | Total as at 31 March 2021 £ |
|------------------------------|-------------------------------------|-----------------------------------|--|
| Fixed assets | 10,135,066 | - | 10,135,066 |
| Debtors | 413,175 | 200,000 | 613,175 |
| Bank and cash | 4,204,312 | 398,323 | 4,602,635 |
| Creditors less than one year | (97,024) | (215,104) | (312,128) |
| | <u>14,655,529</u> | <u>383,219</u> | <u>15,038,748</u> |

| PRIOR YEAR | Unrestricted Funds £ | Restricted Funds £ | Total as at 31 December 2019 £ |
|------------------------------|-------------------------------------|-----------------------------------|---|
| Fixed assets | 10,369,280 | - | 10,369,280 |
| Debtors | 94,772 | 476,000 | 570,772 |
| Bank and cash | 851,578 | 407,300 | 1,258,878 |
| Creditors less than one year | (257,483) | (530,211) | (787,694) |
| | <u>11,058,147</u> | <u>353,089</u> | <u>11,411,236</u> |

FOR THE PERIOD ENDED 31 MARCH 2021

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

17. FINANCIAL COMMITMENTS

At 31 March 2021 the Charity had annual commitments under non-cancellable operating leases as follows:

| | Land and buildings | | Other | |
|---------------------------------------|--------------------|-------------------|-------------------|-------------------|
| | 2021 | 2019 | 2021 | 2019 |
| | £ | £ | £ | £ |
| Operating leases which expire: | | | | |
| Within one year | - | 30,000 | 2,620 | 2,620 |
| Between two to five years | - | 7,500 | 4,585 | 9,170 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

18. RELATED PARTY TRANSACTIONS

The J Isaacs Charitable Trust, of which Mr Jeremy Isaacs CBE is a Trustee, pledged £468,000 on 19 December 2019, £179,438 of which was drawn down during the period. The balance of this pledge to be drawn down as at 31 March 2021 is £288,562. This pledge was included in the 2019 statutory accounts.

Since the period end the balance of the original pledge has been increased to £300,000. The sum of £179,438 was for specific amounts incurred during 2019 in relation to the building of The Ark and was drawn down against these amounts in the year. However, the balance of the pledge has now been unrestricted by the J Isaacs Charitable Trust.

In addition to this The J Isaacs Charitable Trust donated £408,000 in 2019.

The company received donations from the Trustees (excluding Mr Isaacs CBE) totalling £76,478 (2019: £35,256).

There were no other related party transactions in the current or the prior period.

19. NET DEBT RECONCILIATION

| | At 1 January 2020 £ | Cashflows £ | Other non- cash changes £ | At 31 March 2021 £ |
|--------------------------|---------------------------|-------------------|---------------------------------|-----------------------------|
| Cash at bank and in hand | 1,258,878 | 3,343,757 | - | 4,602,635 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | At 1 January 2019 £ | Cashflows £ | Other non- cash changes £ | At 31 December 2019 £ |
| Cash at bank and in hand | 1,425,498 | (166,620) | - | 1,258,878 |
| | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

