

**THE SHAKESPEARE HOSPICE**  
**ANNUAL REPORT AND ACCOUNTS 2017/18**



**Company Registration No. 3291683**  
**Charity Registration No. 1064091**

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## Report of the Trustees for the Year Ending 31 March 2018

The Trustees are pleased to present their annual report and audited financial statements for the year ending 31 March 2018. This meets the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with relevant statutory and regulatory requirements:

- The Charities Act 2011;
- The Companies Act 2006;
- Our Articles of Association;
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### From the Chair

Welcome to our Annual Report for 2017 to 2018.

Last year we told you about our strategic plans for the future, including the plan to extend our rehabilitative models of care and work with the new Stratford Cancer Hospital. In furtherance of this, I am delighted to report we were joint winners of the Rigby Award a year ago, which allows us to work collaboratively with South Warwickshire Foundation Trust and develop therapeutic services for the Rigby Oncology Unit at the new Stratford Cancer Hospital. We are also participating in a Rehabilitation Project with South Warwickshire Foundation Trust and have secured the support of an academic partner from Warwick University. The other plans we set out last year are also being implemented.

It is clear that there is an ever-increasing demand for our services, which is not surprising in a community which is growing in size. We continue to provide care in the north Cotswold area. Over 1,000 adults and young people accessed our services last year; people are fortunately living longer but, as a result, more complex cases arise. We therefore continue to strive to provide first class care. Our decision from the time we were founded not to provide in-patient beds still holds as we have found that over 80% of our community would prefer to be at home at the end of their life. So, this is why we invest in a robust 24/7 Hospice at Home service. We also provide care through our Day Hospice, Adult Counselling and Young People's services. These services are not just for our patients, but also for their families, loved ones and carers.

However, our plans to extend services to cover dementia has had to be put on hold as, at this time, we do not have the income levels required to meet the cost of this service. All our services are free at the point of delivery but they are not free to provide. Our costs increased last year by 5.5% to £2.3 million. The increase is due to a variety of reasons, primarily service development. You will be aware of the negative press last year concerning charities such as Oxfam and RNIB in Coventry. We, as a relatively small charity, are affected by the scandals associated with some larger charities and the resulting damage to the public perception of the charity sector. I assure you the Board takes governance issues very seriously. Vetting, Safeguarding and Whistle-blowing Policies have all been reviewed and training provided. Also, we have been very busy this year making sure we are General Data Protection Regulation (GDPR) and Information Governance Toolkit Level 2 compliant. This all involves staff time and hence costs.

Income we received over the last year did not match our costs. The only guaranteed income we receive is a 9% contribution from the NHS. The remaining 91% is generated from fundraising and our retail shops. The bad publicity resulting from the scandals involving Oxfam and others has no doubt had an effect on public donations. The retail sector, as a whole, has suffered.

However, we do have sufficient reserves, and thanks to the hard work of our Income Generation teams, and with the generous support of local businesses, major donors, grants, trusts, and individuals in the community, including those who have so kindly left us legacies, we have been able to remain in a secure financial position.

We are not complacent. There is still a gap between income and costs. We have reviewed and recruited some outstanding individuals to our fundraising and retail teams. We have also reviewed our relationship with the community, including corporate donors. We are delighted to have on board Sir Peter Rigby as our first Patron. We plan to review our third-party suppliers and also continue to look for opportunities to collaborate with other hospices and care organisations to ensure we are cost efficient while continuing to provide excellent quality services for the community.

We are hugely thankful to all our supporters, customers, staff, volunteers, trustees, patients and families for making The Shakespeare Hospice the place that it is. We are eternally grateful for your continued support in all that we do.

Miranda R McCormick  
Chair

## **Purpose**

Our purpose, as set out in our Articles of Association, is:

- To help anyone with a life limiting illness to live in as fulfilled and creative way as possible;
- To offer care that is family centred;
- To enable people to die at home in dignity and comfort, if that is their wish.

In setting our strategies and plans, we have referred to the Charity Commission's guidance on public benefit, including PB2 'Public benefit: running a charity'.

The Charities Act 2011 sets out 13 aims which are recognised as charitable purposes, of which The Shakespeare Hospice meets three: the advancement of health, the relief of those in need by ill health or disability, and the advancement of education. All services provided to patients, families and carers are free of charge and available to all who meet the referral criteria.

## **Objects**

*The objects of The Shakespeare Hospice are for the public benefit: to promote the relief of sickness and the advancement of health in such ways as the charity shall from time to time think fit, in particular by:*

- *Establishing, maintaining and conducting a day centre or residential home in the County of Warwickshire, for the reception and care of persons of any age and either sex, without regard to race or creed, who are suffering from any chronic or life limiting illness or from any disability or disease, and by providing medical or other treatment and attention for such persons; and by providing therapies and other services to relieve suffering of the members of the families of such persons and any who provide unpaid care to them;*
- *Conducting or promoting or encouraging research into the care and treatment of persons suffering from any such illness, disability, disease or infirmity and particularly into the care and treatment of persons suffering from life limiting illness, and to disseminate the results thereof to the public;*
- *Promoting or encouraging or assisting in the teaching or training of doctors, nurses, physiotherapists and other persons engaged in any branch of medicine, surgery, nursing or allied services and in the teaching or training of students in any branch of medicine, surgery, nursing or allied services;*
- *Providing or assisting or encouraging the provision of spiritual help and guidance for any patients, their families, carers and members of staff.*

## **Strategies**

Our strategies to achieve our purpose and objects are:

- To provide a safe space for respite, nursing care, therapy, counselling, support and friendship;
- To offer practical, experienced nursing care in the home at the end of life in collaboration with the Primary Health Care Team;
- To support the patient's whole family, and those who matter to them, throughout their journey and into bereavement;
- To seek to understand people's needs, fears and hopes in a non-judgmental way;
- To give appropriate information and support at any stage in their journey for those living with, or affected by, a serious illness;
- To work collaboratively with our partners in health and social care and refer people to other agencies and sources of help where appropriate;
- To provide bespoke facilities for our work with children and young people.

Detail on the activities carried out to implement our strategies in the year is given in the '2017/18 Achievements' section below.

## **Measures**

To evaluate the extent to which we are achieving our purpose, we use a number of quantitative and qualitative measures, including:

- The number of new referrals, patients and carers helped, and sessions provided;
- Satisfaction, as indicated by patient/carer surveys and unannounced clinical visits;
- The review of clinical outcomes;
- Internal audits;
- Audits by outside organisations, including the Care Quality Commission.

## **Activities**

### **Summary**

Our principal activities to further our purpose are:

- To provide specialist palliative care for adults with a life limiting illness and enabling them to make choices about the care they receive and where they wish to receive it;
- To offer care that is family-centred;
- To enable people to die at home with dignity and in comfort;
- To provide supportive care for bereaved children and young carers;
- To provide respite care for 16-24 year olds with a life-limiting illness.

### **2017/18 Achievements**

During the year:

- We have maintained all services and continued to care for over 1000 patients, carers and family members.
- The developments and growth in our services remain in line with our Five Year Strategic Plan 2015 to 2020.
- We are working collaboratively with South Warwickshire Foundation Trust and developing therapeutic services for the Rigby Oncology Unit at the new Stratford Cancer Hospital.
- We are also participating in a Rehabilitation Project with South Warwickshire Foundation Trust and have secured the support of an academic partner from Warwick University.
- As part of the GSK / King's Fund IMPACT Award which we received in 2016, senior managers continue to attend the leadership development network at the King's Fund.

- The review of the Clinical Database has progressed slowly and we will now be working with our NHS partners to implement the EMIS Health system (Egton Medical Health System).
- In preparation for GDPR, a significant piece of work has been undertaken to ensure our policies and processes are fit for purpose.
- We appointed our first Patron, Sir Peter Rigby, to the Hospice in September 2017.

### *Day Hospice*

During 2017/18; there have been 281 new referrals representing a 7% increase on last year. Day Hospice continues to provide a diverse range of therapeutic and rehabilitative services for patients and carers, which is provided by a multi-disciplinary team. In order to accommodate those patients living beyond cancer, we have continued to support our rehabilitation model of care and as part of a 12-month pilot, have appointed a Therapy Assistant Practitioner to support the service development. We have also commenced service provision of complementary therapy into the new Stratford Cancer Hospital. Placements for medical and nursing students continue.

### *Hospice at Home Service*

During 2017/18; there have been 257 new referrals representing a 9% increase on last year. We continue to provide our own 24/7 on call service.

### *Adult Counselling Service*

During 2017/18; there have been 137 new referrals representing a 12% increase on last year. The number of placements for Adult Counselling students is in demand and we liaise closely with the local colleges and Warwick University.

### *Young People's Service*

Demand is growing for all the Young People's Services based in the bespoke Young People's Hub:

#### 1. Pre- and post-bereavement care for children and young people

During 2017/18; there have been 127 new referrals representing a 35% increase on last year. An additional Children's Bereavement Practitioner was recruited during the year which has enabled the further development of pre-bereavement support group.

#### 2. Young Carers' Support

There have been 575 attendances in 2017/18, supporting young carers. We continue to work in partnership with Warwickshire Young Carers' Project, with weekly support groups also offering one-to-one therapy as appropriate during term time.

#### 3. Transitional Care

There have been 85 one-to-one sessions and home assessments in 2017/18, a 3% increase on last year. The service has continued to host a youth group, in partnership with Acorn's Children's Hospice.

#### 4. Work Experience and Volunteering

We have supported 41 work experience placements in 2017/18, maintaining the same provision as in 2016/17, and we have recruited 55 new ambassadors who help with fundraising activities and raise the profile of the Young People's Services within their schools and the local community.

### *Voluntary Services*

The number of volunteers supporting all activities across the Hospice is approximately 330. A new volunteer induction process has now been implemented and a rolling training programme developed which includes mandatory training and also communication skills and handling difficult questions.

### *Fundraising*

This has been a particularly challenging year for our fundraising department, staff turnover has had a significant impact. However, during 2017/18 support from Major Donors and corporate supporters has continued to grow.

We have demonstrated our commitment to high fundraising standards by registering with the Fundraising Regulator and being prepared for the new General Data Protection Regulation (GDPR) which came into force on 25<sup>th</sup> May 2018. We continue to ensure fundraising practices are respectful, open and honest, and create a positive experience for our supporters.

Our fundraising activities are not outsourced to Professional Fundraising Organisations. A small team of fundraising staff and volunteers receive training at their induction and an annual refresher on the Fundraising Regulator Codes and Conditions. All fundraising staff and volunteers must also affirm their acceptance to adhere to our fundraising vulnerable person's policy.

The Head of Income Generation monitors fundraising activities through public or supporter feedback, staff knowledge checks, and quarterly team reviews. There are policies and procedures in place detailing the Fundraising Regulator Codes and Conditions, and where relevant, guidance has been signposted in fundraising materials for supporters acting 'in aid of' or 'on behalf of' the Hospice.

### *Retail*

This has been a challenging year for Retail income with the High Street trend and closures having an impact however, there has been growth in on line sales. We also opened a new furniture store on 10<sup>th</sup> March in Moreton in the Marsh, North Cotswolds.

### *Complaints*

During 2017/18, we received 12 complaints in total; 2 relating to our clinical services, 2 to our fundraising department, 4 related to our retail activities, 2 related to the processing of Gift Aid and 2 related to our voluntary services. All have been successfully resolved. In line with our risk management activities, all of the complaints, and action taken, were reviewed by the senior management team and trustee committees.



## Plans for the Future

Our plans for 2018/19 include:

### *Day Hospice*

- Review of the support services provided into the new Stratford Cancer Hospital.
- Review of the Rehabilitation Project following completion of the pilot.
- These reviews will inform service development going forward.

### *Hospice at Home Service*

- Review the current Hospice at Home service including further scope to develop outside of the traditional hospice boundaries

### *Adult Counselling Service*

- To review demand and scope the potential to provide specific services for couples, families, groups.

### *Young People's Service*

- To review the Bereavement Support demand and commence a targeted volunteer workforce recruitment programme.

### *Voluntary Services*

- Implement a volunteer community engagement strategy

### *Fundraising*

- A review of the Fundraising and the Marketing and Communications strategies will be implemented during 2018/19.
- The branding, and in particular the logo of the Hospice, will be subject to consultation with our key stakeholders.

### *Retail*

- A review of the Retail Strategy will be implemented during 2018/19. This will include combining some retail and fundraising activities to reach new supporters.

## **Financial Review**

### **Outcome for the Year**

Our deficit for the year, at £259k, was almost identical to that of 2016/17 and in line with the expectations we set out in the 2016/17 Annual Report. This result reflects:

- A £117k increase in income. Although fundraising income (donations, legacies, NHS grants, grants for Young People's Service, and fundraising) were in total broadly similar to 2016/17, we raised £56k more from our retail operations. Our increased income also includes recovery of £54k of historic VAT.
- A £3k decrease in interest income. There was no interest income recognised during the year as term deposits were not due to mature until after the year end.
- £118k higher expenditure: an increase of £135k on charitable activities, £27k on retail, including the start-up costs of our new Morton in the Marsh furniture shop which opened in March, offset by a reduction of £44k in fundraising costs.

The significant staff shortages we experienced throughout the year, reflected in the reduction in cost referred to above, led to a disappointing level of fundraising income, excluding legacies. We are pleased to note that we now have a new Head of Income Generation and a full complement of fundraising staff in place.

The overall increases in costs, were slightly lower than we had planned.

### **Reserves**

Our policy is to hold sufficient cash reserves to safeguard our medium-term financial viability, i.e. to cover expected shortfalls of income over expenditure (our budget deficit) and a potential unexpected mismatch between income and costs. We avoid holding excessive cash reserves: if they rise too high we use them to facilitate the expansion of our existing charitable activities, projects (including the pilot of additional activities) and capital expenditure.

We do not state our reserves as an absolute fixed monetary value; rather, our policy is to hold reserves of between six and twelve months of charitable expenditure. We calculate our reserves as the total cash figure in the Balance Sheet, adjusted for known distorting factors, such as capital commitments, major capital grants received in advance of related expenditure or vice-versa, and significant amounts of restricted cash. 'Charitable expenditure' is our total expenditure, as forecast for the next twelve months, excluding the costs of our income-generating activities (i.e. fundraising and retail costs) and depreciation.

At 31 March 2018, our reserves represented 6.1 months of forecast charitable expenditure. This reflects total cash of £713k, and average forecast monthly charitable expenditure of £117k. While this result is marginally above our reserves policy minimum, included in debtors is £206k of HMRC agreed recoverable VAT, which had it been received prior to the year end, would have resulted in our reserves representing 7.9 months of forecast charitable expenditure.

### **Next Year**

We have budgeted for our costs to rise by about 6% and income by approximately 8% in 2018/19.

- Our budgeted income assumes a significant improvement in our fundraising and trading incomes, predicated on our now having a full complement of fundraising staff in place for the first time in recent years. As our 2017/18 income included £215k of legacies and £54k of recoverable VAT, and the 2018/19 budget, in our line with our policy, assumes no such income, the budgeted increase in income is challenging.

- Part of the cost increase is due to inflation, but most is due to our assumption that all budgeted positions will be filled, together with the additional costs of staff for the new Morton in the Marsh furniture shop.
- We expect a deficit in 2018/19 that is slightly less than that for 2017/18, to be funded either from legacies not yet notified, or from reserves, in line with our policy above. We are aware, however, that our reserves have fallen in recent years and that, unless they are replenished by legacy income, our practice of funding deficits from reserves cannot continue. We continue to manage our cash flows carefully to ensure we remain within our reserves policy.

### Risks

Our main financial risk is an unexpected reduction in our income. This is described in the Risk Management section below.

We do not have investments that would traditionally be considered risky: our funds are all held with Barclays Bank.

### Investment Policy

Our policy remains to invest cash resources in a risk-free environment while seeking to maximise the return.

## **Structure, Governance and Management**

### Constitution

The Shakespeare Hospice's governing document is its Articles of Association, which was updated in 2016. The Trustees also follow relevant legislation and guidance, including the Charity Governance Code.

The Hospice is registered as a company limited by guarantee, number 3291683. It is also registered with the Charity Commission for England and Wales, number 1064091.

### Appointment of Trustees

Where vacancies arise, Trustees are recruited following an advertisement in the local press; applicants who have an existing relationship with the Hospice may also be considered. After submitting a CV, suitable applicants are interviewed by the Chair, another Trustee and the Chief Executive, following which a recommendation is made to the full Board. Upon appointment, the new Trustee undertakes an induction programme. This includes meetings with the Chair and other Trustees, and with the Chief Executive and other members of the Senior Management Team, as well as a comprehensive reading list designed to help the new Trustee learn about the Hospice and the requirements of the role as quickly as possible.

We are proud of the diversity of our Board of Trustees.

Our position as set out in the paragraphs below on Diversity in the Workplace apply to the selection and recruitment of Trustees, who are all volunteers.

As of 23<sup>rd</sup> July 2018, of the 13 Trustees on the Board, the following numbers of Trustees classified themselves as follows:

6 Men  
7 Women  
2 BME (Black, Minority, Ethnic)

The management of the Hospice, within approved plans and budgets, is delegated by the Board to the Chief Executive. The Senior Management Team, has been reviewed and restructured during the year and now consists of the Head of Clinical Services, the Head of Income Generation, the Head of Finance, and the Head of Human Resources all of whom, report directly to the Chief Executive.

### Staff Remuneration

Staff remuneration, including that of the Chief Executive and senior managers, is agreed by the Board, normally as part of the annual budget exercise, taking account of NHS pay scales for clinical staff, and the local market for non-clinical staff.

The Hospice monitors its pay practice to ensure that it complies with equal pay for work of equal value legislation and the best principles of equity. All remuneration activity is monitored to ensure that no gender or other bias arises in practice and that a fair approach on remuneration is achieved across the organisation.

### **Diversity and inclusion**

The Shakespeare Hospice is committed to being a diverse and inclusive charity that is accessible to all. We are working to do this in a number of important ways.

We are creating diversity and inclusion plans to deliver equality of access, quality of care and outcomes to diverse communities.

We will also be monitoring who is using our services and gathering feedback on how terminally ill people, families and carers experience our care so that we can measure the effectiveness of our diversity and inclusion initiatives.

Through this work we will ensure that everyone we support, regardless of their personal characteristics or condition, receives an equitable service in an environment that is free from discrimination of any kind.

### **Diversity in the workplace**

We welcome a diverse workforce and value difference in our staff and volunteers:

- We recognise that a diverse workforce allows us to provide the best care for people living with a terminal illness.
- We will show respect for all our employees and volunteers, valuing each individual's contribution, regardless of their:
  - age
  - disability
  - gender reassignment
  - marriage, and civil partnership
  - pregnancy and maternity
  - race
  - religion and belief
  - sex
  - sexual orientation
  - irrelevant offending background
  - responsibility for dependents
  - economic status; or
  - political values.
- We are committed to providing equal opportunities for all employees and volunteers while continuing to base selection and promotion solely on ability to meet the requirements of the post.
- We value and consider the talents and skills available in the community when employment and volunteering opportunities arise, and ensure those employment opportunities are available to all. As a result, our workforce will be a reflection of the population we serve.
- We work continuously to ensure that all reasonable steps are taken to make our information accessible, that individuals are treated equally and fairly and that decisions on recruitment,

selection, training and career development are based on clear, objective criteria.

The Shakespeare Hospice is committed to taking active steps to address and **eliminate unfair or unlawful discrimination or prejudice** where these are identified in the organisation's procedures or practices. Our current policy is as follows:

- Equal Opportunity Policy – HR021- December 2017

## Trustee Meetings

The Board met six times during the year. In addition, the Board had a planning day with the Senior Management Team focusing on our strategic objectives, governance issues and risk management. The Chief Executive attends all Board meetings.

Most of the detailed work of the Board is carried out by five committees; the number of meetings in the year is given in brackets:

- Chair's Committee (6)
- Audit and Finance Committee (10)\*
- Information Management Committee (9)\*
- Clinical Governance Committee (7 meetings and 4 unannounced reviews)
- Income Strategy Committee (10)

\*The Audit and Finance Committee and the Information and Management Committee will be merged in August 2018 and renamed Finance and Audit Committee.

## Role of the Trustees

Responsibility for the charity's overall strategy, the management of risk and legal compliance rest with the Board of Trustees. Day-to-day responsibility for the running of the charity is delegated by the Board to the Chief Executive.

In particular, the Trustees consider their role to encompass:

### 1. Setting the strategic direction of the Hospice

This is achieved through an annual cycle of strategic discussion, which has enabled the development of a five-year plan. This leads to annual departmental objectives and implementation plans.

### 2. Approval of plans and budgets

An overall annual plan and budget for the forthcoming financial year is presented to the Board, and approved prior to the start of each year.

### 3. Monitoring of performance

Quantitative and qualitative information regarding clinical activity is collected and summarised on a monthly basis, and submitted to the Clinical Governance Committee and the Board at each of their meetings.

Management accounts, showing our income and expenditure and cash position against budget, are produced by the Head of Finance every month. These are reviewed at Audit and Finance Committee meetings, circulated to all directors before every board meeting, and discussed at the board meetings.

Any complaints are reviewed by the Chair's Committee.

### 4. Monitoring of statutory compliance

The Board receives reports of inspections, from the Clinical Governance Committee and the Care Quality Commission.

### 5. Risk Management

## **Risk Management**

Our process for managing risk includes:

- Ensuring risk is considered at each meeting of the Board and its subcommittees and by the Senior Management Team;
- Quarterly review of the principal risks and uncertainties that the Hospice faces;
- The introduction or update of policies and processes to mitigate risks identified;
- Plans and processes to manage any potential impact should those risks materialise;
- The Departmental action plans, are monitored regularly by the trustee sub committees.

A comprehensive range of risks has been identified. Our key risks are considered to be:

- A significant reduction in income due to ineffective fundraising or an adverse retail climate

We are heavily dependent on our fundraising and retail activities, as NHS grants contribute only 8-9% of our total income. To mitigate this risk, both the Income Strategy Committee and the Audit and Finance Committee review actual and forecast performance against budget at their regular meetings; potential issues are identified, and plans to make good any shortfall are put in place. Our reserves policy, described in the Financial Review above, is designed, in part, to protect us against the short-term impact of an unplanned reduction in income.

- Poor fundraising practice

Our fundraising practice, processes and policies have been subject to a detailed review during 2017/18.

- Loss of, or inability to recruit, key personnel

Within a small organisation, an unplanned vacancy or the inability to recruit key personnel can pose a significant threat to our ability to deliver services or raise funds. We developed a recruitment and retention strategy which has included a review of our volunteer workforce and future requirements.

- Safeguarding

The relevant policies and procedures (including whistleblowing) have all been reviewed and training for staff and volunteers is in place.

## **Trustees' Responsibilities in Relation to the Financial Statements**

The Trustees (who are also directors of The Shakespeare Hospice for the purposes of company law) are responsible for preparing the Trustees' Report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare accounts for each year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

#### **Statement as to Disclosure to our Auditors**

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware;
- The Trustees, having made enquiries of fellow Trustees and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### **Reference and Administrative Details**

Name	The Shakespeare Hospice
Company Registration Number	3291683
Charity Registration Number	1064091
Registered Office & Principal Office	Church Lane Shottery Stratford-upon-Avon Warwickshire CV37 9UL
Bankers	Barclays Bank plc Market Cross Stratford-upon-Avon Warwickshire CV37 6AP
Solicitors	Shakespeare Martineau LLP Bridgeway House Bridgeway Stratford-upon-Avon Warwickshire CV37 6YY
Auditors	H L Barnes & Sons Barclays Bank Chambers Stratford-upon-Avon Warwickshire CV37 6AH
Chief Executive	Angie Arnold



**Trustees:**

(from 1 April 2017 until the date of approval of the annual report, and the committees on which they serve or served)

Martin Bartlett (Chair, resigned 24/07/17)	Chair's, Income Strategy
Miranda R McCormick (appointed as Chair 24/07/17)	Chair's, Audit and Finance, Information Management
Carol Collins (resigned 24/03/2018)	Income Strategy
Angela Deacon (resigned 27/09/2017)	Clinical Governance
Paul Drake (resigned 31/12/2017)	Audit and Finance, Information Management
Sophie Gilkes (resigned 26/06/2018)	Chair's, Income Strategy
Mark Haselden	Chair's, Audit and Finance
Francis Prentice (resigned 27/09/2017)	Income Strategy
Dr Cristina Ramos	Clinical Governance
Richard Smith (resigned 24/07/17)	Clinical Governance
Gill Thomas	Income Strategy
Dr Emert White	Chair's, Clinical Governance
Kathryn Williams	Clinical Governance
James Richards	Income Strategy
Charles Goody (appointed 24/07/2017 and resigned 8/12/2017)	Clinical Governance, Information Management
Charles Horton (appointed 20/11/2017)	Audit & Finance
Richard Barrett (appointed 20/11/2017)	Audit & Finance, Information Management
Debbie Smith (appointed 02/05/2018)	Clinical Governance
Adrian Knott (appointed 21/05/2018)	Income Strategy
Fiona Murphy (appointed 21/05/2018)	Income Strategy
Elizabeth Spencer (appointed 21/05/2018)	Clinical Governance

**Approval**

This report was approved by the Trustees on 23<sup>rd</sup> July 2018 and signed on their behalf by:



**Miranda R McCormick (Chair)**

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SHAKESPEARE HOSPICE

### Opinion

We have audited the financial statements of The Shakespeare Hospice (the 'charitable company') for the year ended 31 March 2018 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and 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 2018;
- 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

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

### Other information

The trustees are responsible for the other information. The other information comprises the information in the Report of the Trustees, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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.

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SHAKESPEARE HOSPICE (CONTINUED)

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 Report of the Trustees.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 13, the trustees 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 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.

### **Auditors' responsibilities for the audit of the financial statements**

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

## REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SHAKESPEARE HOSPICE (CONTINUED)

### **Auditors' responsibilities for the audit of the financial statements continued**

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Report of the Auditors to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Report of the Auditors. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

### **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 a Report of the Auditors 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.



Robert Bowen BA (Hons) FCA (Senior Statutory Auditor)  
for and on behalf of H L Barnes and Sons, Statutory Auditors  
Barclays Bank Chambers  
Stratford upon Avon  
Warwickshire  
CV37 6AH

23 July 2018

## Statement of Financial Activities (incorporating an Income and Expenditure account) for the year ended 31 March 2018

	Note	Current Year			Prior Year
		Unrestricted Funds £	Restricted Funds £	Total Funds £	Total Funds £
<b>Income:</b>					
Donations and legacies	2	787,902	136,330	924,232	918,642
Income from charitable activities	3	70,924	168,287	239,211	229,524
Income from other trading activities	4	788,963	-	788,963	738,313
Investment Income	5	-	-	-	2,996
Other income	6	53,688	-	53,688	-
<b>Total Income</b>		<b>1,701,477</b>	<b>304,617</b>	<b>2,006,094</b>	<b>1,889,475</b>
<b>Expenditure</b>					
Costs of raising funds					
Fundraising		372,410	-	372,410	416,350
Retail		569,595	-	569,595	542,220
Total costs of raising funds	7	<b>942,005</b>	<b>-</b>	<b>942,005</b>	<b>958,570</b>
Expenditure on charitable activities					
Operation of a Hospice	8	942,757	380,787	1,323,544	1,188,748
<b>Total expenditure</b>		<b>1,884,762</b>	<b>380,787</b>	<b>2,265,549</b>	<b>2,147,318</b>
<b>Net income/(expenditure) and net movement in funds for the year</b>		<b>(183,285)</b>	<b>(76,170)</b>	<b>(259,455)</b>	<b>(257,843)</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		2,177,820	1,206,825	3,384,645	3,642,488
<b>Total funds carried forward</b>		<b>1,994,535</b>	<b>1,130,655</b>	<b>3,125,190</b>	<b>3,384,645</b>

The Statement of Financial Activities includes all gains and losses recognised in the year. All amounts relate to continuing activities. The notes on pages 22 to 33 form part of these accounts.

## Balance Sheet at 31 March 2018

	Note	Current Year	Prior Year
		£	£
<b>Fixed assets</b>			
Tangible assets	13	2,272,786	2,322,044
<b>Total fixed assets</b>		<b>2,272,786</b>	<b>2,322,044</b>
<b>Current assets</b>			
Stock		9,581	8,575
Debtors	14	259,766	161,607
Cash at bank and in hand	21	712,690	990,370
		<b>982,037</b>	<b>1,160,552</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	15	129,633	97,951
<b>Net current assets</b>		<b>852,404</b>	<b>1,062,601</b>
<b>Total net assets</b>		<b>3,125,190</b>	<b>3,384,645</b>
<b>The funds of the charity</b>			
Unrestricted funds		1,994,535	2,177,820
Restricted funds	17	1,130,655	1,206,825
<b>Total funds</b>	18	<b>3,125,190</b>	<b>3,384,645</b>

Approved by the trustees on 23 July 2018 and signed and authorised for issue on their behalf by:

Miranda McCormick



Director

Charles Horton



Director

The notes on pages 22 to 33 form part of these accounts.

## Statement of Cash Flows for the year ended 31 March 2018

	Note	Current Year £	Prior Year £
Cash used in operating activities	20	(224,293)	(105,445)
<b>Cash flows from investing activities</b>			
Interest		-	2,996
Purchase of property, plant and equipment		(53,387)	(33,606)
<b>Net cash used in investing activities</b>		<b>(53,387)</b>	<b>(30,610)</b>
<b>Decrease in cash and cash equivalents in the year</b>		<b>(277,680)</b>	<b>(136,055)</b>
Cash and cash equivalents at start of year		990,370	1,126,425
<b>Cash and cash equivalents at the end of the year</b>	21	<b>712,690</b>	<b>990,370</b>

The notes on pages 22 to 33 form part of these accounts.

## Notes to the Accounts for the Year Ended 31 March 2018

### 1. Accounting Policies

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

#### a) Basis of preparation

The financial statements have been prepared in accordance with:

- Charities SORP (FRS 102), ie Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015);
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- The Companies Act 2006.

The Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

#### b) Legal status

The Hospice is a company limited by guarantee and has no share capital. In the event of the Hospice being wound up, the liability in respect of the guarantee is limited to £2 per member of the Hospice.

#### c) Going concern

Given the Hospice's favourable fundraising record and the level of year-end reserves, the Trustees consider that the Hospice has adequate resources to continue in operation for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

#### d) Fund accounting

Unrestricted funds are available to spend on activities that further any of our charitable purposes. Restricted funds are donations where the donor has specified they should only be used for certain aspects of our work. The costs of raising and administering such funds are charged against the specific fund, unless expressly forbidden by the donor. The aim and use of each material restricted fund is set out in the accounting policy notes. Investment income, gains and losses are allocated to the appropriate fund.



e) Income

Income is recognised when the Hospice has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably.

Where income has related expenditure (as with fundraising income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. If a donation is subject to fulfilling performance conditions, the income is recognised when it is probable that those conditions will be met.

Income from NHS contracts, government and other grants, whether capital grants or revenue grants, are recognised when the Hospice has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Legacies are recognised when there is a high probability that they will be paid and the amount can be measured with a reasonable degree of accuracy.

Income received in advance for a future fundraising event or for a grant received relating to the following year are deferred until the criteria for income recognition are met.

Interest on deposits is included when receivable and the amount can be measured reliably, which is normally on notification by the bank of the interest paid or payable.

Sponsorship from events, fundraising and events registration fees are recognised in income when the event takes place. Lottery income is accounted for in respect of those draws that have taken place in the year. Trading income is recognised on point of sale for both donated and purchased goods.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation and the amount can be measured reliably. All expenditure is accounted for on an accruals basis under the following headings:

- *Expenditure on raising funds* comprises costs incurred in seeking donations, grants and legacies, and the costs of fundraising activities including the cost of goods sold, shop costs, commercial trading and their associated support costs.
- *Expenditure on charitable activities* includes the costs of providing specialist palliative care and support, community services, and other activities to further the purposes of the Hospice, and their associated support costs.
- *Support costs* are those that are incurred in support of expenditure on the objects of the Hospice. They consist mainly of governance, the CEO, and Finance.

Governance costs are incurred in connection with the Hospice's constitutional and statutory requirements. Support costs are allocated to each activity on the basis of staff time or usage. More detail is given in the relevant note below.

- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Volunteers

The value of the services provided by volunteers is not incorporated into these financial statements. Further details of their contribution are provided in the Trustees' report.

h) Fixed assets

All assets costing more than £1,000 are capitalised at their historical cost when purchased. Assets costing less than £1,000 are capitalised when it is deemed appropriate.

Depreciation is provided to write off the cost, less an estimated residual value, of all fixed assets over their expected economic useful lives on a straight-line basis as follows:

Freehold land	Not depreciated
Freehold building and refurbishment	50 years
Leasehold building improvements	Shorter of 6 years or life of lease
Other assets	4 years

The need for impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset, and is assessed by comparing the carrying value against the value in use or realisable value of the asset.

i) Revaluation of tangible fixed assets

The Hospice has not revalued any of its fixed assets.

j) Investments

The Hospice's investments consist entirely of deposits with major UK banks.

k) Stock

Stock of retail goods is included at the lower of cost or net realisable value. Donated items of stock for resale or distribution are not included in the financial statements until they are sold or distributed, because the Trustees consider it impractical to assess the net realisable value of donated stocks. This is because their eventual sale value is uncertain, there are no systems in place to record these items until they are sold, and undertaking a stock take would incur undue cost which would outweigh the benefits.

l) 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.

Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

m) Cash at bank and in hand

Cash at bank and in hand includes cash and fixed term deposits with less than one year to maturity.

n) Creditors

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

o) Pensions

Where requested, the Hospice makes contributions toward an employee's pension fund:

- A number of employees are in the NHS Superannuation scheme. Although this is a defined benefit scheme, it is a multi-employer scheme for which the Hospice's share of the underlying assets and liabilities cannot be identified. It is therefore accounted for as a defined contribution scheme in accordance with FRS102.
- Other employees are members of a defined contribution scheme.

The Hospice's contributions to these schemes are charged to the Statement of Financial Activities when due.

p) Operating leases

Operating leases are recognised over the period in which the lease falls due.

2 Income from Donations and Legacies	Current Year			Prior Year
	Unrestricted £	Restricted £	Total £	Total £
Donations	572,395	136,330	708,725	727,789
Legacies	215,507	-	215,507	190,853
	<b>787,902</b>	<b>136,330</b>	<b>924,232</b>	<b>918,642</b>

The prior year total consists of unrestricted income of £831,078 and restricted income of £87,564

The charity benefits greatly from the work of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP the economic contribution of general volunteers is not recognised in these accounts.

3 Income from Charitable Activities	Current Year			Prior Year
	Unrestricted £	Restricted £	Total £	Total £
NHS Core Grant	70,384	-	70,384	70,000
NHS Hospice at Home Grant	-	112,040	112,040	88,596
NHS Grant – The Rigby Award	-	15,000	15,000	-
Grants for Young People's Service	-	41,247	41,247	69,902
Training Income	540	-	540	1,026
Total	<b>70,924</b>	<b>168,287</b>	<b>239,211</b>	<b>229,524</b>

The prior year total consists of unrestricted income of £70,526 and restricted income of £158,998

4 Income from Other Trading Activities	Current Year			Prior Year
	Unrestricted £	Restricted £	Total £	Total £
Fundraising	60,009	-	60,009	63,571
Lottery	17,661	-	17,661	19,480
Retail	711,293	-	711,293	655,262
Total income from shops	<b>788,963</b>	<b>-</b>	<b>788,963</b>	<b>738,313</b>

The prior year total consists of unrestricted income of £738,313

Retail income was derived primarily from our 8 shops (prior year 7). A furniture store in Moreton in the Marsh was opened in 2018.

5 Investment income	Current Year			Prior Year
	Unrestricted £	Restricted £	Total £	Total £
Bank interest	-	-	-	2,996

The prior year total consists entirely of unrestricted income.

## 6 Other Income

Current Year			Prior Year
Unrestricted	Restricted	Total	Total
£	£	£	£
53,688	-	53,688	-

Other income consists of an adjustment for recoverable VAT in respect of prior years not allocated elsewhere.

## 7 Costs of Raising Funds

	Current Year			Prior Year
	Unrestricted	Restricted	Total	Total
	£	£	£	£
<b>Fundraising</b>				
Staff	189,687	-	189,687	220,800
Hospice events	43,788	-	43,788	75,819
Promotional costs	23,231	-	23,231	17,560
Support costs	66,241	-	66,241	46,085
Other	49,463	-	49,463	56,086
<b>Total</b>	<b>372,410</b>	<b>-</b>	<b>372,410</b>	<b>416,350</b>
<b>Retail</b>				
Staff	266,206	-	266,206	246,943
Bought in goods	18,401	-	18,401	19,230
Property costs	155,403	-	155,403	137,569
Support costs	44,161	-	44,161	30,723
Other costs	85,424	-	85,424	107,755
<b>Total</b>	<b>569,595</b>	<b>-</b>	<b>569,595</b>	<b>542,220</b>
<b>Total costs of raising funds</b>	<b>942,005</b>	<b>-</b>	<b>942,005</b>	<b>958,570</b>

The prior year total consists £958,370 of unrestricted costs and £200 restricted costs.

## 8 Expenditure on Charitable Activities

	Current Year			Prior Year
	Direct Costs	Support Costs	Total	Total
	£	£	£	£
Day Hospice	482,089	176,642	658,731	644,684
Hospice at Home	310,994	88,321	399,315	347,068
Young Peoples Service	199,258	66,240	265,498	196,996
<b>Total</b>	<b>992,341</b>	<b>331,203</b>	<b>1,323,544</b>	<b>1,188,748</b>
Of which:			£	£
Unrestricted			942,757	892,488
Restricted			380,787	296,260

**9 Analysis of support costs**

	Current Year			Prior Year
	Management and Admin	Governance	Total	Total
	£	£	£	£
Fundraising	64,892	1,349	66,241	46,085
Retail	43,262	899	44,161	30,723
Costs of Raising Funds	108,154	2,248	110,402	76,808
Day Hospice	173,046	3,596	176,642	122,893
Hospice at Home	86,523	1,798	88,321	61,447
Young People's Service	64,893	1,347	66,240	46,085
Expenditure on Charitable Activities	324,462	6,741	331,203	230,425
<b>Total</b>	<b>432,616</b>	<b>8,989</b>	<b>441,605</b>	<b>307,233</b>

The majority of support costs are allocated on an estimate of management time, floorspace and use of assets. The large increase in management and administration is due to changes in the direct allocation of costs. Certain costs such as insurance, telephone, IT and shared staff which in the prior year had been charged directly to departments have been treated as support costs in the current year.

Analysis of Management and Administration Costs	Current Year	Prior Year
	£	£
Payroll and staff related	317,507	247,799
IT and other overheads	97,084	30,251
Share of hospice premises costs	10,374	10,969
Depreciation	7,651	7,380
<b>Total</b>	<b>432,616</b>	<b>296,399</b>

**10 Analysis of the costs of staff, trustees and key management personnel**

	Current Year	Prior Year
	£	£
Wages and salaries	1,356,965	1,280,076
Social security costs	107,007	98,985
Pension costs	63,917	56,976
<b>Total</b>	<b>1,527,889</b>	<b>1,436,037</b>

No member of the Board of Trustees received any emoluments or reimbursed expenses (prior year: nil).

The average monthly head count was 82 (prior year 76) . The average number of whole-time equivalent employees was:

	Current Year	Prior Year
Charitable Activities	30	27
Cost of generating voluntary income	6	7
Fundraising Trading	14	14
<b>Total</b>	<b>50</b>	<b>48</b>

The number of employees whose total employee benefits, excluding pension contributions, exceeded £60,000, was:

	Current Year	Prior Year
£80,000 to £89,999	1	1

Pension contributions relating to staff earning over £60,000 totalled £12,692 (prior year: £11,930).

The key management personnel were the Chief Executive and 4 (prior year 6) senior managers. Their total employee benefits were £275,614 (prior year: £304,703).

## 11 Net Income

Net income is stated after charging:		Current Year	Prior Year
		£	£
Operating Lease Rentals	Shops	118,962	136,417
	Photocopier	4,957	5,683
Depreciation	Owned Assets	102,645	99,833
Auditors' remuneration		7,500	10,100

## 12 Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling with section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

## 13 Tangible fixed assets

	Freehold property	Fixtures and fittings	Medical Equipment	Other	Total
	£	£	£	£	£
<b>Cost</b>					
At start of year	2,854,564	222,601	35,373	45,284	3,157,822
Additions	3,494	49,893	-	-	53,387
<b>At end of year</b>	<b>2,858,058</b>	<b>272,494</b>	<b>35,373</b>	<b>45,284</b>	<b>3,211,209</b>
<b>Depreciation</b>					
At start of year	604,202	181,306	20,417	29,853	835,778
Charge for the year	53,961	35,643	6,795	6,246	102,645
<b>At end of year</b>	<b>658,163</b>	<b>216,949</b>	<b>27,212</b>	<b>36,099</b>	<b>938,423</b>
<b>Net book value</b>					
At start of year	2,250,362	41,295	14,956	15,431	2,322,044
<b>At end of year</b>	<b>2,199,895</b>	<b>55,545</b>	<b>8,161</b>	<b>9,185</b>	<b>2,272,786</b>

#### 14 Debtors

	Current Year	Prior Year
	£	£
Prepayments	28,354	26,178
Accrued income	7,248	20,638
Tax recoverable	206,319	80,723
Other Debtors	17,845	34,068
<b>Total</b>	<b>259,766</b>	<b>161,607</b>

#### 15 Creditors: amounts falling due within one year

	Current Year	Prior Year
	£	£
Trade creditors	46,997	31,840
Taxation and social security	32,040	21,043
Accruals	50,596	45,068
<b>Total</b>	<b>129,633</b>	<b>97,951</b>

#### 16 Obligations Under Leasing Agreements

The following payments are committed under non-cancellable operating leases:

	Current Year			Prior Year		
	Land and Buildings	Plant and Machinery	Total	Land and Buildings	Plant and Machinery	Total
	£	£	£	£	£	£
Expiring:						
Within 1 year	137,250	4,044	141,294	115,563	4,044	119,607
Between 2 and 5 years	190,727	12,132	202,859	39,771	16,175	55,946
<b>Total</b>	<b>327,977</b>	<b>16,176</b>	<b>344,153</b>	<b>155,334</b>	<b>20,219</b>	<b>175,553</b>



17 Restricted funds

	Current Year			Prior Year		
	Balance at start of year £	Income £	Expenditure £	Balance at start of year £	Income £	Expenditure £
Hospice at Home	-	200,234	200,234	-	107,303	107,303
Hospice at Home - Twilight	-	-	-	-	26,885	26,885
Hospice Counselling Room	7,660	-	240	7,900	-	240
Hospice Roof Tiles	7,241	-	227	7,468	-	227
Information and Support	25	-	25	125	-	100
Diversional Therapy	-	-	-	395	3,245	3,640
NHS Refurbishment Grant	549,243	-	13,235	563,227	-	13,984
Garden	8,891	-	209	9,100	-	209
Furniture, Fittings and Equipment	1,262	951	791	3,218	-	1,956
Young People's Services	30,798	30,440	55,997	68,845	76,319	114,366
Building the Future	579,681	-	19,743	596,445	-	16,764
Counselling and Bereavement	-	1,410	1,410	-	1,015	1,015
Children's Bereavement Service	-	36,497	36,497	-	7,140	7,140
Wellesbourne Shop	-	-	-	-	200	200
Friday Day Hospice	15,000	20	15,020	-	15,000	-
Day Hospice	-	10,045	10,045	-	-	-
Rehabilitation Project	-	25,000	25,000	-	-	-
Clinical Room	6,135	-	1,798	-	-	-
Syringe Driver	889	-	296	-	8,270	2,135
Complementary Therapy	-	20	20	-	1,185	296
Total	1,206,825	304,617	380,787	1,256,723	246,562	296,460
			1,130,655			1,206,825

The Hospice at Home Fund was established in 1998 to fund the Hospice at Home Service.

The Hospice at Home Twilight Fund was established in 2013 to offer evening support to Hospice at Home patients.

The Hospice Counselling Room Fund was established in 1998 to provide a counselling room within the Hospice.

The Hospice Roof Tile Fund was established in 1998 to raise money for the Hospice roof.

The Information and Support Fund was established in 2007 to support the Information and Support Service.

The Diversional Therapy Fund was established in 2007 to assist in funding diversional therapies.

The NHS Refurbishment Grant Fund was established in 2008 with a grant received to refurbish the Hospice.

The Garden Fund was established in 2009 to landscape and furnish the hospice garden.

The Furniture, Fittings and Equipment Fund was established in 2009 to purchase furniture or equipment.

The Young People's Services Fund was established in 2014 with a grant from Stratford upon Avon Town Trust to support the needs of children and young people.

The Building the Future Fund was launched in 2014 with an NHS capital grant to raise funds for capital build and young people's services.

The Counselling and Bereavement Fund was set up in 2016 to assist with the delivery of our counselling and bereavement support services.

The Children's Bereavement Service Funds was established in 2016 to provide counselling and bereavement support for children and young people.

The Wellesbourne shop fund was set up in 2016 to assist the funding of our Wellesbourne shop.

The Friday Day Hospice fund was set up in 2017 to assist with opening on a Friday

The Day Hospice Fund was set up to support the Day Hospice

The Rehabilitation Project Fund was set up to support the funding of rehabilitation services at the Rigby Unit

The Clinical Room Fund was set up in 2017 to assist with funding the fitting of a clinical room.

The Syringe Driver fund was set up in 2016 to purchase a syringe driver for the day hospice.

The Complementary Therapy Fund was set up to assist in funding complementary therapies.

## 18 Analysis of net assets between funds

	Current Year			Prior Year		
	Unrestricted funds £	Restricted funds £	Total funds £	Unrestricted funds £	Restricted funds £	Total funds £
Tangible fixed assets	1,142,371	1,130,415	2,272,786	1,161,246	1,160,798	2,322,044
Current assets	981,797	240	982,037	1,114,525	46,027	1,160,552
Creditors falling due in less than one year	(129,633)	-	(129,633)	(97,951)	-	(97,951)
	<b>1,994,535</b>	<b>1,130,655</b>	<b>3,125,190</b>	<b>2,177,820</b>	<b>1,206,825</b>	<b>3,384,645</b>

We are pleased to acknowledge the following support for the following services:

		£
Stratford-upon-Avon Town Trust	Hospice at Home	40,000
Stratford-upon-Avon Town Trust	Rehabilitation Project	10,000
BBC Children in Need	Children's Bereavement Service	36,247
The Rigby Foundation	Core	20,000
CHK Charities	Day Hospice	10,000
GJW Turner	Young People's Service	10,000

**19 Related party transactions**

There were no related party transactions in the year (prior year: nil)

**20 Reconciliation of net movement in funds to net cash flow from operating activities**

	Current Year	Prior Year
	£	£
Net movement in funds	(259,455)	(257,843)
Adjustments:		
Depreciation charge	102,645	99,833
Bank interest	-	(2,996)
(Increase)/decrease in stocks	(1,006)	(130)
(Increase)/decrease in debtors	(98,159)	91,486
Increase/(decrease) in creditors	31,682	(35,795)
<b>Net cash used in operating activities</b>	<b>(224,293)</b>	<b>(105,445)</b>

**21 Analysis of cash and cash equivalents**

	Current Year	Prior Year
	£	£
Cash in hand	512,690	990,370
Cash on term deposits	200,000	-
	<b>712,690</b>	<b>990,370</b>