

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
AND CONSOLIDATED ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2018**

Company Number: 2808633

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

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REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018**

The trustees are pleased to present their report together with the financial statements of the charity for the year ending 31 March 2018.

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name:	Willowbrook Hospice
Charity number:	1020240
Company number:	2808633
Chief Executive:	Mr N Wright
Registered Office:	Portico Lane Prescot Merseyside L34 2QT
Auditors:	Livesey Spottiswood Chartered Accountants & Registered Auditors 17 George Street St Helens Merseyside
Bankers:	National Westminster Bank Plc PO Box 25 5 Ormskirk Street St Helens Merseyside WA10 1DR
Solicitors:	Haygarth Jones 8 Hardshaw Street St Helens Merseyside WA10 1RE

Directors and trustees

The directors of the charitable company (the charity) are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees.

The trustees serving during the year and since the year end were as follows:

Mr A Chick	Dr K Beeby
Mr K Stringer	Ms E Inglesby
Mr D Corf (resigned 28 Sept 2017)	Mr K Gallimore
Mr P Nee (resigned 28 Sept 2017)	Ms M Simmonds
Dr M G Van Dessel	Ms N Ellison (secretary)
Mr G H Slater (resigned 28 Sept 2017)	

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In accordance with the Articles of Association, at the Annual General Meeting the following trustees retire and, being eligible, offer themselves for re-election:

Dr M G Van Dessel
Mr K Gallimore

Sub Committees

**Finance
Group**

Ms M Simmonds (Chair)
Mr A Chick
Mr K Stringer
Mr N Wright (in attendance)
Mr P Lloyd (in attendance)

**Human
Resources**

Ms N Ellison (Chair)
Mr A Chick
Mr K Gallimore
Mr K Stringer
Ms M Simmonds
Mr N Wright (in attendance)
Mrs D Gelling (in attendance)

**Estates
Group**

Mr A Chick (chair)
Mr K Gallimore
Ms M Simmonds
Mr A Perry (in attendance)
Mr N Wright (in attendance)

**Clinical Assurance
Group**

Dr M G Van Dessel (Chair)
Mr A Chick
Ms E Inglesby
Dr K Beeby
Mr N Wright (in attendance)
Dr P Powell (in attendance)
Mrs C Haywood (in attendance)

Income Generation Group

Mr K Stringer (Chair)
Lady A K Pilkington MBE
Mr K Gallimore
Mrs J Reakes
Mrs J Beesley
Mr N Wright (in attendance)
Mrs C Pilkington (in attendance)
Mrs N Saunders (in attendance)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The company is governed by its Memorandum and Articles of Association.

The company is limited by guarantee, whereby every member of the company undertakes to contribute to the assets of the company in the event of winding up, while they are members or within one year after they cease to be a member, for payment of the debts and liabilities of the company contracted before they cease to be members, such amounts as may be required not exceeding £1.

Appointment of trustees

The trustees who have served during the year are set out on page 1. The trustees are appointed by the members of the company and every three years each trustee retires by rotation and may offer themselves for re-election in accordance with the Articles of Association.

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Trustee induction and training

The trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other trustees. Trustees are encouraged to attend appropriate external events where these will facilitate the undertaking of their role.

Organisation

The board of trustees administers the charity. The board meets on a bimonthly basis to manage the charity's affairs receiving reports from the various sub committees, details of which are set out on page 2. A Chief Executive is appointed by the trustees to manage the day to day operations of the charity. To facilitate effective operations, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational matters.

Key Management Personnel

The Trustees consider the key management personnel to be the Hospice Steering Group. The remuneration of the key management personnel is set by reference to the Willowbrook Hospice – Agenda for Change policy which is an adaptation of the NHS Agenda for Change policy but subject to affordability.

Risk Management

The trustees consider the major strategic, business and operational risks that the charity faces each year when considering budgets and business plans. Systems have been developed to monitor and control these risks to mitigate any impact that the risks may have in the future.

OBJECTIVES AND ACTIVITIES

The objectives of the charity are to provide free specialist palliative care, to patients through the expertise of our multi-professional team, to those who have need of it and are referred by their Healthcare Professional.

The principal activity of the subsidiary company, Willowbrook Hospice Trading Company Limited is that of the operation of Charity Shops and a lottery for the benefit of Willowbrook Hospice.

There have been no material changes in policy or objectives throughout the period.

The strategies employed to achieve the charity's objectives are to:

- establish, maintain and operate a hospice for the reception and care of patients
- provide medical or other treatment and attention for such patients through our in-patient, out-patient and day therapy services at the hospice
- ensure that the patient is the focus of our attention from the moment they arrive with us
- help each patient live with dignity and to achieve and regain the best quality in their lives, where possible
- offer a support system to help patients live as actively as possible before death
- offer a support system to help the family cope during the patient's illness and in their own bereavement

PUBLIC BENEFIT

The charitable aim of Willowbrook Hospice has been to help all St Helens and Knowsley patients at the end of their life and the people close to them, to have access to the best Palliative Care appropriate to their need.

Patient referrals have been made by Healthcare professionals and accepted according to those in most need of our clinical care. Services have been delivered free of charge to any patient from St Helens and Knowsley regardless of gender, ethnicity or religion.

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The Hospice is regulated by the Care Quality Commission who have approved the Hospice to care for patients over the age of 18 years of age.

Our aim is to enhance the quality of life for each individual throughout all stages of his or her illness. Individual needs are continually re-assessed to ensure that care is the best it can be.

TRUSTEE REPORT

ACHIEVEMENTS AND PERFORMANCE

Overview

The Hospice celebrated its 20th Anniversary year with a whole host of birthday celebrations. The Trustees would like to thank all staff, volunteers and supporters, not only who contributed to the success of last year but over the years. The hospice today could not be what it is without the effort of everyone who has gone before in making Willowbrook one of the most respected Hospices in the region.

The Hospice continues to provide specialist and palliative end of life care for the people of St Helens and Knowsley. We remain grateful for the generous support of the local communities who fund approximately two thirds of our running costs. Without their support we could not provide the special care that we do for patients and the people close to them, at the most difficult time of their lives.

Approximately two thirds of our new patient referrals came from St Helens, a third from Knowsley and a small number of referrals came from outside our normal catchment area, mainly Halton and Liverpool.

We only accept patients from outside our catchment area when a neighbouring hospice can't provide the care that a patient needs, either because they do not have the capacity, or because of our particular expertise; or from patient choice.

Across of all of our services, the Hospice follows the NICE Quality Standards for Adults (2011) who are approaching the end of their life, including patients with advanced, progressive, incurable conditions. The Standards also cover support for their families and carers.

In-Patient Services

As average life expectancy increases, we have found that we are caring for patients with more complex symptoms and comorbidities. Although the majority of our patients have a cancer diagnosis, we provide End of Life Care for all patients referred to us, irrespective of diagnosis. Our admissions are prioritised according to clinical need, not diagnosis.

During the year, we cared for 213 individual patients, of which the majority had a cancer diagnosis. A small number of patients were referred to us more than once throughout the year which resulted in a total of 249 admissions. Over the year, our average length of stay was 13 days which is comparable to other Hospices of our size.

We do not have the capacity to provide a bed for everybody who needs our care, but as a charity we undertake to do what we can afford. All patients are discussed daily in the In-Patient Unit as well as weekly in Multi-disciplinary meetings and we work very closely with the Specialist Palliative Care Community and Hospital teams to identify those patients in most need of the specialist care that we provide. Last year our available beds were on average 79% occupied and as a result we have the capacity to respond to urgent admission requests. This has had a positive impact on reducing waiting times for admission.

Of all the patients that we care for on our Inpatient Unit, 41% were discharged back to their preferred place of care, mainly back to their home, dispelling the myth that the Hospice is only a place where you go to die.

In the past, the majority of our in-patients were admitted from home. However, over the last few years, there have been an equal number of patients admitted from hospital with complex issues. This means that there are fewer Hospice beds to support patients with similar complex issues in the Community and is one of the strategic dilemmas facing the local end of life healthcare community and the Hospice in particular. This is one of the main drivers behind our emerging strategy, providing appropriate care and support for patients in the Community as and when funding allows.

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Wellbeing Services

Wellbeing Services provide a Day Hospice Service, group sessions and an Out Patient Service in the Hospice with a volunteer led Holistic Support Service at The Living Well for community users and carers support.

We provide a weekly programme currently three days of full Day Hospice and two days of individual and group activities, to support emotional, physical, social, spiritual and psychological needs. This provides more choice for patients and allows the flexibility for seeing more patients along with their carers.

The full Day Hospice which runs on Tuesday, Wednesday and Thursday 10am —3pm provides opportunities for patients who have more complex needs to obtain more input from the Multi-disciplinary Team.

A programme of patient education sessions empowers patients to self-manage their symptoms at home and, as a consequence, where possible, helps to reduce admissions to hospital. There is an opportunity for patients to be seen on an individual basis for assessment and treatment by a team of therapists.

Group sessions include a Rehabilitation Day which runs on a Monday focusing on a Being Active Group and a Breathlessness and Anxiety Management Group. On a Friday we run a Wellbeing Day with the focus on Creative Therapies allowing patients to work creatively through their thoughts and emotions and a Complementary Therapy Group that enhances their overall sense of wellbeing.

Day Hospice

Last year we cared for over 300 Day Hospice patients, of which, over 50% were new to the service. Over the year, each Day Hospice patient stays with us, on average, for approximately 10 weeks, attending one day per week during which time we help to improve the quality of their lives.

Of the 60 registered Day Therapy places a week, we achieved the national average attendance for a Hospice of our size.

Outpatient Services

Over the year, we saw 438 Medical Outpatients of which 113 were new to the service, and of those, over three quarters had a cancer diagnosis.

In addition to the Medical Outpatient Clinics, patients also attended our Nurse, Complementary Therapy and Occupational Therapy Outpatient Clinics.

2017 Hospice UK Conference

Five poster abstracts summarising the excellent clinical work carried out at Willowbrook Hospice were accepted for presentation at the Hospice UK's National Conference in Liverpool in November 2017.

The topics included:

- **Highlight 5** – disseminating important inpatient information quickly and accurately
- **Quick Clinical Reference Guides** – comprehensive desktop clinical reference guides
- **“Stop, Think, Prescribe”** – making sure that we use drugs cost effectively
- **“Think Sepsis”** and **“Think Delirium”** – both about improving clinical care.

These projects are not only extremely useful in proving what we do but the poster abstract is also a way of sharing our best practice with other hospices enhancing our local, regional and now national reputation.

Willowbrook's Delirium Project was chosen as a finalist in the British Medical Journal Awards and though we did not win, the award is a great achievement for the clinical team.

Willowbrook also competed in the Health Service Journal Awards which recognises and awards outstanding practice in patient safety. Our project was in competition with many large national hospital trusts with considerably more resources than we have at our disposal and received 'highly commended' receiving national recognition for the innovative clinical practice here at Willowbrook Hospice.

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Education

The Hospice's mission *Care, Educate, Engage*, is to help to support all those who are dying anywhere in the St Helens, Knowsley and surrounding areas. Although we cannot care directly for all patients who are dying, we can help to influence the care that a patient receives, by improving the knowledge of the healthcare professionals who deliver End of Life Care across the locality. The Hospice is a centre of excellence and delivers a number of internal/external training courses. Education empowers professionals to support patients to stay in their preferred place of care and helps to reduce hospital admissions.

Until recently we have received restricted education funds from the Merseyside and Cheshire Cancer Network, which are separately identified in our accounts. On their behalf, the Hospice Team delivers appropriate training courses for local healthcare professionals. This money is acknowledged in our accounts as restricted funds and can only be used for the delivery of Palliative Care Education. We have not received this for the past two years.

In the year to 31 March 2018, we taught 38 medical students from Liverpool University and had 38 nursing placements from local universities. As a respected teaching unit, Willowbrook Hospice was also able to offer placements for 4 GP trainees during the year and one full time equivalent Palliative Medicine Trainee.

Our quarterly Community Forum disseminated End of Life Care education and best practice to 75 care and residential homes which provide a total of approximately 2,900 beds. In collaboration with Marie Curie and Woodlands Hospice, the Integrated Palliative Care Medical Team delivered a very well-received GP Palliative Education Course to 50 local GP and healthcare professionals.

The Hospice medical and clinical teams help to facilitate weekly education sessions inviting external speakers to deliver a wide, varied education programme to the Integrated Specialist Palliative Care Services from the Hospice, the Hospital and Community teams.

The Hospice once again renewed its membership of the NHS Core Learning Unit which enabled all Hospice staff to access accredited and mandatory up to date NHS Core Learning Courses. Many of these courses are generic organisational courses which are applicable to staff across the whole organisation.

Community Integrated Advance Care Planning Service

The Hospice remains committed to ensuring that more patients are allowed to spend their last days in their preferred place of care receiving quality nursing and medical support.

Established in 2012, the Hospice was instrumental in developing a Community Integrated Advance Care Planning Service whose aim is to improve End of Life Care across all community settings in St Helens, Knowsley and Halton. Last year the team based at The Living Well, made up of Willowbrook Hospice staff, Halton Haven Hospice staff and Knowsley Five Boroughs staff educated 2,182 healthcare professionals in the use of "End of Life Care Tools".

They have promoted the uptake of the Preferred Place of Care document and 97% of patients who completed an advance statement died in their preferred place of care. The team has supported 6 care homes to maintain accreditation with the Gold Standards Framework Hallmark Award and 5 new homes have completed the Six Steps to Success Care Home Programme.

24/7 Specialist Palliative Care Telephone Helpline

Willowbrook Hospice supports local healthcare professionals in a wide variety of care settings, 24 hours a day with expert advice via an Integrated Specialist Palliative Care Telephone Adviceline. The Helpline is to support healthcare professionals to make the right decisions so that patients can be cared for confidently in their preferred place of care, potentially avoiding emergency hospital admissions.

During the year we had 491 specific requests for advice. In addition to Healthcare professionals across St Helens and Knowsley, this service extends to healthcare professionals at Clatterbridge Cancer Centre and in Halton.

Specialist Palliative Care Medical Integration

Dr Seamus Coyle, the locum Community Consultant in Palliative Medicine was appointed to the vacant substantive Community Consultant Post in October 2017. Although not employed by the Hospice, he, along with his team of Community Specialist Palliative care Nurses, are based inside the hospice.

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The contracts for all three local consultants in Palliative Medicine positions are held by the local Trust allowing a more integrated way of working, where more flexible job planning is enabling the Medical team to work across care settings and provide better quality patient care.

System1

System 1 has been implemented Hospice-wide allowing the clinical staff to access patients' records electronically. This enables us to transfer information locally between healthcare providers and gives us the foundation on which to make even greater improvements.

Electronic Palliative Care Co-ordination System (EPaCCS) patient data can now be seen real time by authorised healthcare professionals via System 1.

There is still further work needed on System1 to maximise the return on our investment of time and money in implementing it across Hospice clinical services. Further work is needed to refine information input into the system. This further investment of time and money will enable us to maximise the capacity of the system.

External Influences

We continue to hold meetings with the Clinical Commissioning Groups in Knowsley and St Helens who have both indicated their positive support for the work of the Hospice.

The CCGs were able to maintain the same level of financial support from the year before. However, both CCGs continue to be under financial pressure.

The Trustees remain concerned that with the significant overspend in the local healthcare economy actions to restore economic balance will mean continued underinvestment in end of life care and the Hospice in particular.

Notwithstanding the poor financial position of the local CCGs, the Hospice still has ambitions to develop services for the benefit of patients in need of End of Life Care but this places an even greater strain on our charity fundraising to raise ever increasing amounts to keep pace with inflation, wage rises, service development and demand.

The Trustees continue to follow a financially prudent way forward ensuring that the care we provide is of the highest quality and is sustainable.

Fundraising

Charity fundraising remains a challenge, not only because of difficult economic conditions but there are also a lot of other worthy local and national charities competing for similar support and donations.

In addition to the challenges above, the Fundraising team has spent time throughout the year addressing new compliance regulations and procedures, making sure that our Fundraising policies and procedures comply with the impact of the newly introduced Fundraising Regulations. They have also been busy preparing for the introduction of the new General Data Protection Regulations.

The Fundraising Department is responsible for publicising and marketing the work of the Hospice and increasingly, use social media to engage cost effectively with our supporters. Unfortunately, part way through the year the team lost access to Facebook on which they had over 7,500 followers. This hindered their ability to communicate with our supporters for a long period of time but they managed to reactivate the account after several months offline.

Despite the various challenges, the team raised a similar amount compared to last year as a result of receipt of higher 'in memoriam' and general donations. They continued to settle into Willowbrook —The Living Well, which is providing the team with new fundraising opportunities.

The Hospice is also grateful to the large number of fundraising volunteers who give their time generously to raise money for the work that we do.

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Trading Company

Retail Services

The staff and volunteers in our Trading Company have grown retail services to such an extent, that this year, our retail shops exceeded the £1,000,000 sales figure which is a magnificent achievement.

The new Stockbridge Village shop got off to a slow start but is now finding its feet led by volunteers. St Mary's Arcade, opened part way through the year, proved to be a popular shop, which is exceeding all budgets.

The shops use electronic tills which capture Gift Aid sales of goods. The system enables the Hospice to increase its return by claiming back Gift Aid tax rebates from the sales without having to increase the volume of items sold. The staff and volunteers should be commended as they execute Gift Aid sales in a very professional and polite manner.

We are extremely grateful for all the generous donations that we receive from the communities that we serve in St Helens and Knowsley. Any surplus income generated by our charity shops directly supports the development of care in the Hospice.

We have still not identified a suitable warehouse opportunity in Knowsley to support the opening of more shops across the locality. Our aim is to have two warehouses, our existing one in St Helens and one in Knowsley. This will enable us to hold larger quantities of stock, supply better quality goods, including furniture to our shops, enhancing our growing reputation for quality goods across the locality. We will keep on searching for a suitable location, as this will be key in helping us to grow shop sales even further, particularly in Knowsley.

Lottery

We continue to use a lottery canvassing company SEC, in addition to self-employed door to door lottery collectors both of which has had a positive effect in recruiting new lottery members .

Playing membership grew throughout the year from 13,028 at the beginning to 13,461 by the end of the year.

It is a significant aspect of our strategy to recruit members on direct debit, thereby reducing any operational risk and reliance on physical cash collection and will provide a greater contribution as the membership grows. 61% of players pay by direct debit, 21% pay by cheque or standing order and 18% pay by cash collection

The Hospice Lottery started on 15 September 1995. The cost to play then was £1 and is still £1 today with a top prize drawn each week of £1,000. So far we have paid out £3.348m in prize money since the lottery began.

During the year we had two rollover winners, one winning a top prize of £6,400.

Volunteers

The Hospice is well supported by 534 volunteers who are actively involved in raising money and the day to day running of the Hospice. We would like to extend our gratitude to the volunteers, thanking them for the support they provide to the organisation.

Last year, the Volunteers broke through the 100,000 donated hours barrier which, at an average hourly rate of £8.50 would have saved the Hospice approximately £850,000 worth of costs in running the Hospice.

Facilities

The Hospice's long standing Facilities Manager announced her intention to relocate to the North East. The Hospice is extremely grateful for the care and attention shown over many years in providing an excellent, well-maintained care environment

We have recruited a new Estates and Facilities Manager who starts later in the year. The new manager will head up a dedicated Estates and Facilities Team which provides a comprehensive catering, cleaning, maintenance and gardening service across the Hospice.

Throughout the year, the maintenance team has a Planned Preventative Maintenance Programme designed to keep the building in first class condition. As the building is over 21 years old, we will ensure future budgets take into account replacement costs along with various improvements and modernisation to maintain and grow services where possible.

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We have continued to refocus the delivery of an organisation wide maintenance service, continuing the more collaborative way of working.

The Hospice provides holistic support for patients and those close to them. This approach is all encompassing and even includes our gardens. Our gardens once again received a gold Medal from the Royal Horticultural Society's North West in Bloom competition and is justified recognition for the care and attention to detail put into the garden by staff and volunteers.

In addition to that, our long serving volunteer, Rita Teed, was awarded "Hospice UK Volunteer Gardener of the Year Award 2017". This was justified recognition of all her hard work volunteering in our gardens for over 19 years.

Website

The hospice launched a new, remodelled website during the year and has plans to develop a 'Willowbrook Hospice App' in the future to communicate more directly to our volunteers, supporters and the public to keep them informed about the work that we do.

Willowbrook —The Living Well

In view of the growing demand for End of Life Care services, the Hospice acquired and refurbished Willowbrook – The Living well in 2016 to build future capacity.

The Living Well has a shop and café. Profit generated by their sales now covers the buildings running costs as well as providing a contribution towards the running costs of the Hospice.

The building also generates income by hiring out the Alexandra Suite. The room has received very favourable reviews as a conference/training venue and is being used by the local CCG, Local GPs, Practice nurses along with a range of local businesses such as Nat West and national organisations like Hospice UK. The rooms are also used to support 'living well' by hosting, Yoga and Pilates classes and is being more used by the St Helens Healthy Living Team. We have also been admitted recently onto St Helens Council's approved list which should help to extend further opportunities.

The building is enabling the hospice to reach out into the community. The internal rooms and whole site is also providing a great space for the Fundraising Department to put on and control their own events.

The building is a positive catalyst to change old ways of working and is challenging traditional views of what hospices are and should do.

Finance Manager

The Hospice's Finance Manager and former Hospice Trustee, will be leaving the Hospice in December 2018. The Trustees would like to thank him formally for his service over the last 20 years in particular for the last 8 years as Finance Manager in helping to compile the financial information which has helped to guide the Hospice to the healthy position that it is in today.

Conclusion

Although the Hospice recorded a deficit in its accounts, this was mainly due to the paying away of restricted funds received and accounted for in previous years but held on account and paid away in this accounting year.

The Trustees and management team monitor the financial position of the hospice closely on a monthly basis and are comfortable with the forecast position at the end of this financial year.

The development of a Clinical Strategy covering the next three years will be launched at our Annual Public meeting in October 2018 following extensive consultation with patients, volunteers, and staff. The strategy will start to reach out beyond the walls of the hospice to meet the changing and ever growing needs of the local population.

As with all healthcare facilities, the continuing challenge is to sustainably grow quality end of life care services in a difficult economic climate. We aim to improve facilities, provide more engaging fundraising opportunities, increase our lottery membership, open more shops at the same time as reducing costs wherever possible.

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The Hospice is not just a Health Service but a Health Enterprise. Willowbrook Hospice, aims to be an exemplar local charity working creatively to meet the clinical ambitions of the hospice and the clinical needs of its population.

Plans for Future Periods

Our priorities over the next 12 months will be

1. Launch a new 3 year Clinical Strategy
2. Introduce Outcome and Assessment and Complexity Collaborative (OACC) measures to describe and monitor the quality of care
3. Open two new retail shops
4. Grow our lottery membership using outside lottery canvassers
5. Identify a suitable retail warehouse opportunity in Knowsley
6. Market and use the Alexandra Suite more
7. Explore new fundraising opportunities
8. Launch a Willowbrook Hospice App

FINANCIAL REVIEW

The group shows a consolidated net reduction in funds for the year of £215,418 compared with a surplus of £89,188 in the previous year. However, of this, £136,654 is in respect of movements on restricted funds, primarily expenditure of training monies received in prior periods. The net reduction of unrestricted funds was £78,764 (year to 31 March 2017 – surplus of £133,437). Much of this movement of £212,201 can be attributed to the reduction in legacies received.

Income

Total incoming resources were £4,662,981 representing an increase of £114,540 compared to the previous year.

Donations and legacies fell from £993,830 to £817,851, a decrease of £175,979. General donations increased by £25,122 to £101,679.

Legacies received in the year totalled £181,541. We are very grateful to the people of St Helens and Knowsley for thinking of us when making their wills.

We received £37,150 in grants during the year compared to £3,000 last year, for equipment and staffing of the Rehabilitation Suite at the Hospice.

Income from charitable activities, the monies received from the CCGs rose by £40,719 to £1,558,024. Of this increase, £23,291 related to the increase in Hospice services funding, £34,314 related to out of area CCG funding, whilst the funding in respect of pharmacy costs fell by £17,376.

Clinical Commissioning Group Funding is provided annually to the Hospice by way of two signed Grant Agreements. In accordance with custom and practice, despite not having current signed grant agreements from St Helens and Knowsley Clinical Commissioning Groups, the Hospice continues to receive, regular payments direct into its bank account for the special care that it provides on behalf of the CCGs. The CCG have verbally indicated that there should be no material changes to the agreements.

Income from other trading activities rose overall by £218,107 to £2,149,081. Gross income from the trading subsidiary rose by £302,505, representing continued excellent performance from the shops and the lottery. Training programmes income has fallen by £87,898 in the year.

Other income rose by £31,495 mainly due to the increase in catering income from the Living Well Café.

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Financial Review (continued)

Expenditure

Total expenditure in the year was £4,849,466, an increase of £353,805 from the year to 31 March 2017.

Expenditure on raising funds rose by £184,235 to £1,489,256. Of this £181,854 related to increased Trading Company expenditure. The Trading Company has grown rapidly in the past twelve months both in terms of the retail activity and the lottery players. This has allowed the Trading Company to set a target contribution for the year to 31 March 2019 of £905,000 compared to the target of £800,000 set for the current year.

Expenditure on charitable activities rose by £169,570. Expenditure was controlled as far as possible throughout the year. All costs are closely monitored at monthly finance meetings.

Reserves Policy

The Trustees have reviewed the Charity's needs for reserves in line with guidance issued by the Charity Commission and have issued a detailed Reserves Policy.

Having reviewed historical information, the vulnerable nature of the Charity's income streams, which are dependent on voluntary giving, the needs of patients and their families for the continuity and range of care provided by Willowbrook Hospice, together with the obligations of the Hospice towards its employees, the Trustees feel it is prudent, where possible to hold reserves of between 6 to 9 months of budgeted expenditure.

Where the reserves exceed nine months, the Trustees will actively encourage the senior team to identify and spend money on projects which benefit the aims and objectives of the Hospice. Where the reserves fall below six months, the Trustees will review and promote strategies that not only address current needs but respect the future financial stability of the Hospice.

An analysis of reserves at 31 March 2018 reveals that of total reserves of £5,655,420, £2,763,436 was held as restricted funds and £2,891,984 was held as unrestricted funds. Liquid assets as at 31 March 2018 were £1,147,301 (2017 - £1,102,423), of which £898,536 (2017 - £820,240) were unrestricted liquid assets. This represents approximately 2 months running costs of the Hospice. Taking into account known commitments and a review of risks facing the Hospice, the Trustees feel they are an adequate level of reserves to cover the short term plans of the Hospice without placing any undue risk on the financial stability of the future of the Hospice.

Investment powers and policy

Under the Memorandum and Article of Association, the Charity has the power to invest in any way the trustees wish.

The trustees have considered the most appropriate policy for the investment of surplus funds and have decided on the following approach:

1. Ensuring adequate short-term funds (< 1 year) are always available so as to enable the Hospice to meet its financial obligations to its employees and creditors. A minimum balance of £100,000 should be maintained at all times.
2. Investing in medium term funds (1-5 years). These investments are primarily for regular income and for capital growth over the five year period and would typically be represented by good quality bonds. No more than 75% of total funds will be invested in medium term investments.
3. Investing in long term funds (> 5 years). These investments are for capital growth over the long term and would typically be represented by equities. No more than 25% of total funds will be invested in long term investments; however, in the exceptional circumstances of a sudden windfall receipt or market performance, this percentage may be exceeded. Any such exception will be reviewed at each Board Meeting.

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)
REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2018**

Trustees' responsibilities in relation to the financial statements

The trustees (who are also the directors of Willowbrook Hospice for the purposes of company law) are responsible for preparing the Report of the Trustees and the 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 financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charity for that period. In preparing those financial statements, the trustees are required to:-

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charity SORP
- Make sound judgements and estimates that are reasonable and prudent; and
- 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 presume that the charity will continue in business.

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

Statement as to Disclosure of Information to Auditors

In so far as the trustees are aware:-

- there is no relevant audit information of which the charity's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The Report of the Trustees, incorporating a Strategic Report was approved by the trustees as the company's directors on 27 September 2018 and signed on their behalf by:



**Ms N Ellison
(Secretary)**

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WILLOWBROOK HOSPICE**

Opinion

We have audited the financial statements of Willowbrook Hospice (the 'charitable company') for the year ended 31 March 2018 which comprise the Consolidated Statement of Financial Activities, the Balance Sheets, the 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 (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 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

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 those 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 included in the annual report, other than the financial statements and our report of the Independent 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.

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

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WILLOWBROOK HOSPICE**

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, 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.

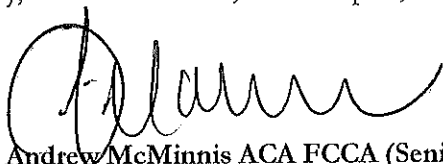
Our responsibilities for the audit of the financial statements

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 Independent 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.

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 Report of the Independent Auditors.

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.



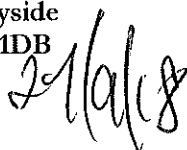
Mr Andrew McMinnis ACA FCCA (Senior Statutory Auditor)

**For and on behalf of Livesey Spottiswood
Chartered Accountants & Statutory Auditors**

**17 George Street
St Helens**

**Merseyside
WA10 1DB**

Date:



**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	Unrestricted Funds £	Restricted Funds £	2018 Total £	2017 Total £
Income and endowments from:					
Donations and legacies	2	780,701	37,150	817,851	993,830
Charitable activities	3	1,277,164	280,860	1,558,024	1,517,305
Other trading activities	4	2,096,094	52,987	2,149,081	1,930,974
Investments	5	31,695	-	31,695	31,497
Other income	6	<u>106,330</u>	<u>-</u>	<u>106,330</u>	<u>74,835</u>
Total income		<u>4,291,984</u>	<u>370,997</u>	<u>4,662,981</u>	<u>4,548,441</u>
Expenditure on:					
Raising funds	7	1,489,256	-	1,489,256	1,305,021
Charitable activities	9	<u>2,930,303</u>	<u>429,907</u>	<u>3,360,210</u>	<u>3,190,640</u>
Total expenditure		<u>4,419,559</u>	<u>429,907</u>	<u>4,849,466</u>	<u>4,495,661</u>
Net income/(expenditure) from operational activities for the year		(127,575)	(58,910)	(186,485)	52,780
Net (losses)/gains on investments		<u>(28,933)</u>	<u>-</u>	<u>(28,933)</u>	<u>36,408</u>
Net income/(expenditure) for the year		(156,508)	(58,910)	(215,418)	89,188
Transfer between funds		<u>77,744</u>	<u>(77,744)</u>	<u>-</u>	<u>-</u>
Net movement in funds		(78,764)	(136,654)	(215,418)	89,188
Reconciliation of funds					
Total funds brought forward at 1 April 2017		<u>2,970,748</u>	<u>2,900,090</u>	<u>5,870,838</u>	<u>5,781,650</u>
Total funds carried forward at 31 March 2018		<u>2,891,984</u>	<u>2,763,436</u>	<u>5,655,420</u>	<u>5,870,838</u>

The consolidated statement of financial activities includes all gains and losses recognised in the year.

All incoming resources and resources expended derive from continuing activities.

The notes on pages 19 to 38 form part of these accounts

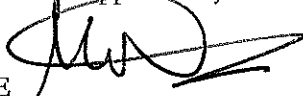
**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)
COMPANY NUMBER : 2808633**

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2018

		2018		2017	
Note	£	£	£	£	£
Fixed assets					
Investments	15		650,580		679,513
Tangible assets	16		<u>4,803,166</u>		<u>4,939,812</u>
			5,453,746		5,619,325
Current assets					
Stock	17	11,280		8,591	
Debtors	18	235,324		451,782	
Cash at bank and in hand		<u>496,721</u>		<u>422,910</u>	
		743,325		883,283	
Current liabilities					
Creditors: amounts falling due within one year	19	<u>(294,446)</u>		<u>(369,094)</u>	
Net current assets			<u>448,879</u>		<u>514,189</u>
Total assets less current liabilities			5,902,625		6,133,514
Creditors: amounts falling due after more than one year	20		<u>(247,205)</u>		<u>(262,676)</u>
Total net assets			<u>5,655,420</u>		<u>5,870,838</u>
The funds of the charity:					
Unrestricted funds	23		2,875,062		2,959,940
Restricted funds	24		2,763,436		2,900,090
Non-charitable trading funds	23		<u>16,922</u>		<u>10,808</u>
Total funds			<u>5,655,420</u>		<u>5,870,838</u>

The accounts were approved by the trustees and signed on their behalf on 27 September 2018 by:-

TRUSTEE  (DR H G VAN DESSEL)

TRUSTEE  (DR K BEEBY)

The notes on pages 19 to 38 form part of these accounts.

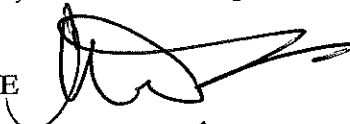
WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)
COMPANY NUMBER : 2808633

CHARITY BALANCE SHEET

AS AT 31 MARCH 2018

	Note	£	2018	£	2017	£
Fixed assets						
Fixed asset investments	15		650,586		679,519	
Tangible fixed assets	16		<u>4,751,782</u>		<u>4,891,178</u>	
			5,402,368		5,570,697	
Current assets						
Debtors	18	238,528		419,138		
Cash at bank and in hand		<u>455,628</u>		<u>416,310</u>		
		694,156		835,448		
Current liabilities						
Creditors: Amounts falling due within one year	19	(210,821)		(284,408)		
Net current assets			<u>483,335</u>		<u>551,040</u>	
Total assets less current liabilities			5,885,703		6,121,737	
Creditors: Amounts falling due after more than one year	20		(247,205)		(261,707)	
Total net assets			<u>5,638,498</u>		<u>5,860,030</u>	
The funds of the Charity:						
Unrestricted funds	23		2,875,062		2,959,940	
Restricted funds	24		<u>2,763,436</u>		<u>2,900,090</u>	
			<u>5,638,498</u>		<u>5,860,030</u>	

Approved by the trustees and signed on their behalf on 27 September 2018 by:-

TRUSTEE  (DR A G VAN DESSEL)

TRUSTEE  (DR K BEEBY)

The notes on pages 19 to 38 form part of these accounts.

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

CONSOLIDATED CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2018

		2018		2017	
Note	£	£	£	£	£
Cash flow from operating activities					
Cash generated from operations	1	181,487		208,296	
Interest paid		<u>(7,766)</u>		<u>(7,830)</u>	
Net cash provided by operating activities			173,721		200,466
Cash flows from investing activities:					
Purchase of tangible fixed assets		(105,600)		(125,703)	
Sale of tangible fixed assets		400		-	
Charibond and Charifund income		27,932		27,975	
Interest received		<u>3,763</u>		<u>3,522</u>	
Net cash used in investing activities			(73,505)		(94,206)
Cash flows from financing activities:					
Loan repayments in the year		(14,702)		(15,206)	
Hire purchase repayments in the year		<u>(11,703)</u>		<u>(19,947)</u>	
Net cash used in financing activities			(26,405)		(35,153)
Change in cash and cash equivalents in the reporting period			73,811		71,107
Cash and cash equivalents at 1 April 2017			<u>422,910</u>		<u>351,803</u>
Cash and cash equivalents at 31 March 2018			<u>496,721</u>		<u>422,910</u>

1	Reconciliation of net (expenditure)/income to net cash flow from operating activities		
		2018	2017
		£	£
	Net (expenditure)/income for the reporting period (as per the statement of financial activities)	(186,485)	52,780
	Adjustments for:		
	Depreciation charges	242,246	223,910
	Profit on sale of tangible fixed assets	(400)	-
	Investment income	(31,695)	(31,497)
	Interest paid	7,766	7,830
	(Increase)/Decrease in stocks	(2,689)	2,080
	Decrease/(Increase) in debtors	216,458	(129,767)
	(Decrease)/Increase in creditors	<u>(63,714)</u>	<u>82,960</u>
	Net cash provided by operating activities	<u>181,487</u>	<u>208,296</u>

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED 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:

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 (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and 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(s). The financial statements are prepared in sterling which is the functional currency of the charity.

Legal status of the Charity

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

Going concern

The trustees consider that there are no material uncertainties about Willowbrook Hospice's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are in relation to estimating depreciation and support costs in these accounts. With regard to the following year, the most significant areas of uncertainty of Willowbrook Hospice are the level of donation income which needs to be raised each and every year and is covered in more detail in the performance and risk section of the trustees' annual report for more information.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiary Willowbrook Hospice Trading Company Ltd. A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

Funds

Funds held by the charity are either:

- Unrestricted general funds – these are funds, which can be used in accordance with the charitable objects at the discretion of the trustees.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. The aim and use of each material designated and restricted fund is set out in the notes to the financial statements.

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018**

Accounting Policies (continued)

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income 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 or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts

These are included in the Statement of Financial Activities (SOFA) when:

- the charity becomes entitled to the donation, grant or similar income and any conditions for receipt are met,
- the trustees are reasonably certain they will receive it; and
- the trustees are reasonably certain that the value can be reliably measured

Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

Income from NHS contracts, government and other grants, whether 'capital' grants or 'revenue' grants, are recognised when the charity 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 and is not deferred.

For legacies, entitlement is taken on a case by case basis as the earlier of the date on which 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 charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution.

Interest on deposit funds held is included when receivable and the amount can be measured reliably by the charity which is normally upon notification of the interest paid or payable by the bank.

Sponsorship from events, fundraising and events registration fees are recognised in income when the event takes place.

Donated goods and services

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably.

Donated fixed assets are similarly taken to income at the value to the charity with the other entry being capitalised in fixed assets.

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018**

Accounting Policies (continued)

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party. It is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis under the following headings:

Costs of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies; costs of fundraising activities including the costs of goods sold, shop costs, commercial trading and their associated support costs. Fundraising costs do not include the costs of disseminating information of support of the charitable activities.

Expenditure on charitable activities includes the costs of providing specialist palliative care and support, community services, research and other educational activities undertaken to further the purposes of the charity and their associated support costs. Irrecoverable VAT is charged as a separate cost within expenditure on charitable activities.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance cost, finance and office costs.

Support costs are allocated to each of the activities on one of the following basis: either floor space, staff time or staff headcount depending on the nature of the support costs, to best allocate the costs to each attributable heading.

Costs are allocated between direct charitable and other expenditure according to the nature of the cost. Where items involve more than one category, they are apportioned between the categories according to the nature of the cost.

Leased assets

Rentals payable under operated leases are charged against profits on a straight line basis over the periods of the leases. Assets acquired under finance leases and hire purchase contracts are capitalised as tangible fixed assets and are depreciated in accordance with the accounting policy on depreciation. The related obligations net of finance costs allocated to future periods, are included in the creditors. Finance costs are charged as an expense on a straight line basis over the periods of the contracts.

Volunteers

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

Fixed assets

Fixed assets are capitalised at cost, where acquired or management's approximate valuation of cost where donated. Items with a value of less than £500 are not capitalised.

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018**

Accounting Policies (continued)

Depreciation

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

Buildings	50 yrs Straight Line
Furniture and Equipment	5-7 yrs Straight Line
Computer Equipment	2-4 yrs Straight Line
Motor Vehicles	4 yrs Straight Line

The need for any 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 that carrying value against the value in use or realisable value of the asset when appropriate.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price, except from the gifted AIM and Channel Islands Stock Exchange listed shares which are recognised upon sale as explained in notes 2 and 15. The Statement of Financial Activities includes the net gains and losses on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

Stock

Stock of retail goods is included at the lower of cost or net realisable value on a first in first out basis. 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 be able to assess the amount of donated stocks as there are no systems in place which record those items until they are sold and undertaking a stock take would incur undue cost for the charity which far outweighs the benefits.

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.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

Creditors

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

**WILLOWBROOK HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE CONSOLIDATED ACCOUNTS (continued)
FOR THE YEAR ENDED 31 MARCH 2018**

Accounting Policies (continued)

Income from trading subsidiary

Turnover of the subsidiary is the total amount receivable by the company for goods and services provided, excluding VAT plus lottery income.

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.

Realised and unrealised gains/(losses) on investments

All realised and unrealised gains and losses are taken to the statement of financial activities as they arise. Realised gains and losses on investment are calculated as the difference between the sales proceeds and the original cost of the investment. Unrealised gains and losses are calculated as the difference between market value at the end of year and opening market values.

Pension costs

Willowbrook Hospice contributes to defined benefit contributory schemes on behalf of certain former National Health Service employees. These contributions are fixed by reference to quinquennial valuations by the Government Actuary. The company also operates a defined contribution pension scheme for other employees. Contributions payable for the year for both schemes are charged in the Statement of Financial Activities.

