

Company No 03063721  
Charity No 1048934

**WOODLANDS HOSPICE CHARITABLE TRUST**

**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 31 MARCH 2019**

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**YEAR ENDED 31 MARCH 2019**

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**WOODLANDS HOSPICE CHARITABLE TRUST**

**TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2019**

Company Registration No.	03063721
Charity Registration No	1048934
Registered Office	UHA Campus Longmoor Lane Liverpool L9 7LA
Directors and Trustees	B. Bartlett BA Hons Dip Arch RIBA (Chairman) C.M. Hubbert MRCGP DRCOG (Vice Chairman) C. Brennand FCA (Hon. Treasurer) W.J. Wood BSc MHSM Dip.HSM E. McDonald B. Lynne Roberts BA, Dip OT, PGCE, MBA, PhD A. Johnson S. Ollerhead D. Brown R Lee (Appointed 28 May 2019)
Company Secretary	R H Milnes (MCIPD)
Auditors	Lonsdale & Marsh 7 <sup>th</sup> Floor Cotton House Old Hall Street Liverpool L3 9TX
Solicitors	Hill Dickinson No 1 St Pauls Square Liverpool L3 9SJ
Bankers	National Westminster Bank Plc Corner Longmoor Lane and Cedar Road Liverpool L9 0EG
Investment Managers	Investec Wealth & Investment Limited The Plaza 100 Old Hall Street Liverpool L3 9AB

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**TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2019**

The Trustees present their report and the financial statements of the charity for the year ended 31 March 2019.

The company information set out on page 1 forms part of this report. The financial statements have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charities Act 2011, Companies Act 2006, the Statement of Recommended Practice - Accounting and Reporting by Charities and FRS 102 and with the company's Memorandum and Articles of Association

**INTRODUCTION**

The incorporated charity is governed by the Memorandum and Articles of Association. The first members of the council of management were appointed trustees of Woodlands Hospice Charitable Trust under the terms of a Trust Deed dated 6 July 1992.

**LEGAL STATUS**

The charity, which was incorporated on 1 June 1995, is limited by guarantee whereby each member of the company undertakes to contribute such amount as may be required, not exceeding £1, to the company's assets if it should be wound up while he/she is a member; or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

**PURPOSE and PUBLIC BENEFIT**

The purpose of Woodlands Hospice is to promote and deliver a specialist palliative care service to adult patients and their families and those close to them, living with a life limiting illness through the establishment and maintenance of Hospice facilities. We care for residents of North Liverpool, South Sefton and Kirkby in Knowsley.

The direct public benefits that flow from this purpose are :- (i) Improving the quality of life of those living with life limiting illnesses, (ii) Reduction in Hospital admissions of those who could benefit from Hospice Care, (iii) Emotional and psychological support for patients and their families, (iv) Education and training of other local organisations caring for those with end of life care needs (v) Allowing patients to die in their preferred place of care, (vi) Enhancing and retaining independence for those living with a life limiting illness.

These benefits can be evidenced through the feedback received from patients and families satisfaction surveys, positive feedback received from Trustee visits and the Key Performance Indicators reported to Trustees, senior staff and commissioners.

There is no private benefit flowing from the organisation. Beneficiaries of Woodlands Hospice are people living with a life limiting illness and their families living in the local or wider area.

The Trustees have complied with a duty in Section 4 of the Companies Act 2006 and confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities.

# **WOODLANDS HOSPICE CHARITABLE TRUST**

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#### **ORGANISATION**

A Board of Trustees comprising twelve members administers the charity (three current vacancies carried in year with one additional appointment made on 28 May 2019 to cover the gap for legal expertise on the Board). New Trustee appointments are recommended by the Nominations Committee and approved by the Board. A full induction programme is provided for all new Trustees to ensure that they are aware of the charity's objectives, strategy and activities and their responsibilities as Trustees.

The Board has established formally constituted sub-committees, each with specific terms of reference and functions, delegated by the Board and with a Trustee as Chair. The established committees are Personnel, Finance (which overviews the Income Generation sub-committee), Clinical Governance, and Governance (which overviews the Staff led Health and Safety Committee). There is an additional Capital Projects sub-committee which is chaired by a Trustee to keep pace with any capital projects or planning. These committees meet on a regular, scheduled basis with at least 3 meetings held each year for each committee. Full minutes of all committee meetings are submitted to the Board meetings held every two months.

The Trustees delegate the day to day management of the Hospice to the Chief Executive who works closely with the Clinical Lead and the Patient Services Manager as a Senior Management Team. Day to day decisions are taken within individual teams, with managers where appropriate, and escalated to the Senior Management Team if they impact on the wider organisation.

The pay of the Senior Management Team is dealt with differently for each individual depending on their primary role. The Chief Executive's salary is a 'spot salary' based on benchmarking against other Hospices of similar size and location at the time of appointment 8 years ago with no change since other than application of the Hospice wide Cost of Living pay rises. These are recommended by the Trustee led Personnel Committee, supported by the Trustee led Finance Committee and approved by the Board of Trustees. The Clinical Lead (Consultant in Palliative Medicine) is provided to the Hospice from the local Hospital NHS Foundation Trust under a Service Level Agreement and the salary is established through the British Medical Association (BMA) nationally agreed pay band for Consultants. The Patient Services Manager's salary, mirrors the NHS nationally agreed Agenda for Change payscale, following Job Evaluation utilising the NHS Job Evaluation criteria. This scale is used for all clinical staff at the Hospice.

The Trustees participate in a rolling programme of unannounced reviews within the Hospice monitoring compliance with the Care Quality Commission Fundamental Standards of Quality and Safety.

#### **CONSTITUTION**

The Woodlands Hospice Charitable Trust was established as a Charitable Trust by a Trust Deed dated 6 July 1992 under registered number 1048934.

The Trust was wound down under the terms and conditions of the Trust Deed on 31 December 1995 and at that date the assets of the Trust were donated to Woodlands Hospice Charitable Trust. The company was incorporated on 1 June 1995 under the Companies Act 1985 as a private company limited by guarantee under company number 03063721.

#### **CHARITY GOVERNANCE CODE**

Having undertaken an assessment within the Trustee led Governance Sub Committee, the Trustees are pleased that Woodlands Hospice Trustees align themselves and all policies and processes to the 7 principles of the published Charity Governance Code.

#### **PRINCIPAL ACTIVITY**

The principal activity of the company during the year was to deliver a specialised palliative care service to local adults, their families and those close to them.

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#### **REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS**

The Senior Management team, led by Chief Executive, Mrs Rose Milnes, has continued to deliver patient services to meet the ongoing needs of our patients and their families and also the needs of commissioners in the constantly pressured healthcare system. The robust governance structure in place has ensured continuing high standards of quality and safety and ongoing compliance with regulatory requirements. There has been no CQC inspection in the period of the Accounts with the Hospices 'Good' classification being the current rating.

2018/19 was the first year of a two year strategic plan and the **principal objectives** this year were:

#### **Patient services**

- Continue to provide the highest quality of care for patients and families.
- Achieve inpatient bed occupancy at 85% and average 12-14 days length of stay.
- Improve discharge planning with greater links to the communities we serve, reversing the deaths to discharge ratio to former levels of 40% deaths and 60% discharges.
- Input to Care Home education and practical skills training to bring them up-to-speed for end of life care.
- Take some services out into the community, working with healthcare colleagues to keep people at home and encourage more referrals to Hospice services.
- Consider opportunities for more rehabilitation programmes within our Therapy services.
- Collaborate with other services (NHS and charitable) to educate and improve community services.
- Develop a formal Coordinator role through the Well-being & Support Centre.
- Develop a 'Volunteer Companion' service out in the community.
- Consider an in-reach service to Aintree University Hospital to support their Palliative Care services.
- Take steps to overcome inequalities to end of life care in our communities.
- Participate in review of lymphoedema services across Liverpool and the wider communities.
- Further develop the Children and Young People's Family support services including building the 'Pavilion' in summer 2018.
- Participate in the development of the Hospice at Home specification. Tender for this service as appropriate, including working in partnership with others if necessary and appropriate.

#### **Quality and Improvement**

- Further develop systems and processes to support the delivery of high quality care e.g. a diary-watch card system, audit programmes, governance and regulation.

#### **Facilities and infrastructure**

- Ensure the best possible environment for patients and visitors to ensure dignity and respect with quality and safety paramount.
- Build and utilise the Children and Young people's 'Pavilion'.
- Develop plans for merging the 'Garden room' and 'Patio room' to create a larger facility for Hospice-wide use.
- Participate in the development of Aintree University Hospital site with a view to extending and expanding inpatients rooms and facilities.
- Take a keen interest in the new owners of the previously vacated 'Ennerdale' nursing home who will be our close neighbours.
- Consider the need for additional water tanks as a contingency.

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#### Patient Information Systems/Data collection and Reporting

- Actively participate in the changeover to Electronic Patient Records (EPR). (Merging of Aintree Hospital and the Royal Liverpool Patient Information System).
- Further develop access to Electronic Palliative Care Co-ordination Systems (EPaCCs) to link to GP practices and community health services.
- Further develop impact reporting to include outcome measures that demonstrate the difference we make.
- Respond to changes to the NHS Information Governance Toolkit for the 2018-19 submission.
- Ensure ongoing compliance with General Data Protection Regulations (GDPR) across the organisation.

#### Human resources

- Ensure the workforce is fit for purpose with clear leadership permeating through the organisation; supporting the ongoing development of a highly skilled, competent workforce fit to face the future challenges of specialist palliative care and end-of-life services.
- Further develop the Board of Trustees to ensure fit for purpose.
- Develop a Human Resource Manager role to eliminate the risk of dual role with the Chief Executive (as currently exists).
- Explore opportunities for a formal Clinical Supervision programme.
- Develop programmes of training and support to ensure staff resilience in challenging times.
- Review and revise the Practising Privileges programme to include all medical and clinical training programmes.
- Develop more modern means of communicating with all staff and volunteers (e.g. text, portals, intranet, team briefs).
- Introduce new portal for payroll submission, payslips and address changes for staff to engage with as appropriate.
- Invest in more training for all staff and volunteers (try to obtain more grant monies for this purpose too), including an organisation wide focus on computer skills to move to more 'digital' platforms and systems.
- Formalise staff support systems (including volunteers).
- Review support services resource to reflect increasing demands.

#### Volunteers

- Expand volunteer roles across the organisation, particularly in support roles to clinical staff and in the fundraising and trading teams

#### External Relationships and collaboration

- Work more collaboratively with other providers in the best interest of our patients.
- Participate in local strategy groups to ensure Woodlands has a voice and is involved in developing collaborative schemes.
- Further promote the work of the Hospice to change people's perception of Hospice care and services provided.
- Develop a programme of high profile visitors including Clinical Commissioning Group (CCG) leads, MPs, Mayors etc.

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#### **Finance including fundraising and trading**

- Modernise financial systems to allow for greater ownership of allocated financial resources to all managers.
- Continue with current income streams, developing new ways to increase funding.
- Increase presence in local communities as part of a 'public engagement appeal', which will actively promote the Hospice's overall message and call-to-action as developed by the Marketing and Communications Strategy.
- Let the public know that some of them will need us at some time in the future, so in order to ensure we are there for them we need their support now!
- Encourage people to adopt us as their charity to 'go to'!
- Recruit to a revised Patrons & Ambassadors Programme to engage public support.
- Focus on getting others to fundraise on our behalf:
  - Community Fundraising Groups.
  - Third party events.
  - Challenge events (reduce Hospice main events to 4 per year).
- Focus on new ways of giving:
  - 'Friends of Woodlands' Membership scheme
  - Regular giving campaign
  - Make giving easier
  - On line platforms
  - Website development
  - SMS text.
- Improve the donor experience.
- Follow up all giving and encourage further participation.
- Gather explicit consent for GDPR and develop an ongoing relationship with donors.
- Maximise income from the Trading company.
- Open a charity shop in Broadway, Norris Green (May 2018).
- Run the Maghull shop on a volunteer-only basis (or consider closing).
- Look for further shop premises (potentially for furniture).
- Look for pop up shop opportunities and volunteers to support.
- Increase lottery membership by 2000 new members in 2 years (+£50,000 per year).

#### **Marketing and Communications**

- Commission a Marketing and Communications Consultant (April 2018 for 6 months) to develop the marketing and communications strategy, strap lines, buzz words, and the 'Golden Thread' message.
- Marketing and Communications Consultant will also coach and mentor all staff (clinical and non-clinical) on getting the message out there in a consistent manner to ensure ongoing engagement from existing and new supporters.
- Refresh the branding and modernise within limited resource. (Retain the green colour and logo to protect the history).

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#### Education and Research

- Further develop the clinical team in the Wellbeing and Support Centre to support autonomous practice in new community clinics. Shadow community specialist teams as required.
- Explore Non-Medical Nurse Prescribing in all services to enhance individual skills
- Develop the Hospice's teaching workforce to share specialist knowledge and expertise.
- Remain open to participating in research projects as appropriate. e.g. surveys, questionnaires etc.

#### STRATEGIC REPORT – ACHIEVEMENTS AND PERFORMANCE

##### Patient Services

The Quality Account evidences how well we have met our 2018/19 objectives in relation to patient services and also the priorities we set for improving patient safety, clinical effectiveness and patient and family experience. The Quality Account has been published, as required by the Department of Health, on NHS Choices website.

<https://www.woodlandshospice.org/quality-accounts>

The Quality Account shows the excellent progress made with the patient services objectives during this first year of our two year strategy and demonstrates our ongoing commitment to quality of care for all our patients and their families. Our occupancy stays at a high level and feedback from patients and families is overwhelmingly positive regarding the care and compassion shown. Regular reviews, evaluations and surveys continue to evidence consistently high standards of person centred care experienced by patients and their families/carers. Our annual patient & family satisfaction survey was very pleasing with 30% return rate (171 actual response) and overwhelming positive feedback with constructive thoughts for improvement and development.

Patient discharges have increased over the year as our Discharge Planner role develops and every effort is made to ensure patients are cared for, and die, in their preferred place of care.

Early exploration has taken place with GPs regarding possible pilot of Consultant/Nurse Hospice clinics out in the community and there is an initial positive response to this which we will look to progress further next year.

We have continued to liaise with all community services regarding Hospice services and how we can support patients whilst remaining in their own homes and we have had many visits and job shadowing from community health care professionals to understand the hospice services to be able to discuss more confidently with patients.

Our Care Homes education programme funded by South Sefton Clinical Commissioning Group (CCG) has also helped to keep patients at home and avoid unnecessary hospital admissions from care homes.

During the year we have formalised the Coordinator role in our Wellbeing and Support Centre which liaises closely with all Healthcare colleagues in the community and the hospital and this has helped significantly with the support for our patients.

We have now explored the possibility of a Volunteer Companion Scheme out in the community, extending our current volunteer scheme within the Hospice Family Support team. We understand that Marie Curie already run a volunteer befriender scheme in parts of our catchment area and we are in discussion with them as to how we can work together on this in Liverpool as well as considering how we can deliver a similar model in South Sefton and Kirkby.

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Whilst we do not have a formal 'in reach' service into Aintree Hospital we respond appropriately to requests from the hospital team to assist where possible. In particular, our Therapy Team has delivered education sessions to therapists in the hospital regarding specialist palliative care and our Family Support Team have visited patients and families in the hospital to explain how Woodlands can help them as a family and encouraged patients to consider care at the hospice which will also help their families.

Our Therapy Team is very keen to deliver more rehabilitative programmes but currently finances are not available to enhance the service in this way but it remains on our radar should such an opportunity arise in the future.

The enhancement of our Family Support service for Children and Young people has been a significant development for the Hospice this last year and we were delighted to have raised sufficient funds and help from our communities to build a special facility for our children and young people in our gardens which opened in a delightful ceremony last December. The involvement of the children and young people themselves in the design and furnishings of the facility and their eloquent presentation of their needs and wishes brought positive media attention to the Hospice. The facility continues to grow as our service grows for those young people in bereavement.

We were delighted to learn in early 2019 that we had secured a further 3-5 year contract with South Sefton CCG to deliver Hospice at Home services in that area. The evaluation of this service which formed part of our expression of interest for the new contract showed an overwhelming support from patients, families and healthcare colleagues for the service Woodlands has provided for the last 5 years.

During the year we have taken part in a Cheshire and Merseyside review of all Lymphoedema services to develop a new service model to improve access for patients and bring the specialist resource of Lymphoedema Practitioners together. This is ongoing and necessary changes will be decided in 2019/20.

Areas for further development in the forthcoming year include enhancing the efficiency of medicines management activity in the Inpatient Unit with the pilot of a pharmacy technician on the ward in place of a registered nurse to release registered nursing time to care and develop a good skill mix on the ward. This will also assist with the difficulty being experienced nationally with the shortage of registered nurses.

Next year we are also looking at enhancing pain assessment in the Hospice introducing a range of pain assessment tools that have been validated for use with patients with specific needs such as dementia or learning disabilities.

In order to help overcome inequalities of service in our communities for underrepresented groups we are also focussing next year on engagement with the LGBTQ community to ensure accessible and inclusive specialist palliative care for them. We will be developing a range of events and resources designed to raise awareness and increase inclusivity and also be seeking advice and input from local, national and community groups supporting LGBTQ communities.

Our programme of regular 'Trustee visits' has continued during this period, with Trustees undertaking unannounced visits of all patient services examining policies, records and speaking to staff, patients and their families regarding their experiences. These visits were based on the Care Quality Commission Fundamental Standards of Quality and Safety. Excellent feedback has been received during these visits and any suggestions for improvements from observation by the Trustee or patient, their families or staff have been monitored to completion.

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The Patient Services Manager has responsibility as the Care Quality Commission Registered Manager and undertakes regular ward rounds and observations of care to monitor standards. The comments received from patients and families in all services evidence the high quality of compassionate care that we aim to achieve and suggestions for improvement are encouraged and welcomed providing an opportunity to resolve any problems at the time.

Maintaining and improving, where possible, patient safety is paramount in the Hospice and our robust governance systems ensure that there is a proactive approach highlighting concerns and trends in patient safety issues. Our working groups such as infection prevention and control, medicines management, falls prevention, and tissue viability continually review Hospice practice in these areas, monitor national guidance and develop local strategies to improve patient safety.

The Trustee-led Clinical Governance Committee keeps a keen watch on all clinical standards, activity and developments and has a key role in monitoring Quality Assurance.

The Patient, Family & Friends Forum continued throughout 2018-19 with meetings held in April, June, September and November 2018, and March 2019.

During the year the Forum:

- Contributed ideas for the development of the Children's Pavilion.
- Reviewed several patient and promotional leaflets including patient information on the 'Use of Opioids in Palliative Care', 'Patient Outcome Scores'.
- Helped develop content for the electronic information screen in The Green.
- Led and coordinated the Hospice's successful participation in the annual 'Patient Led Assessment of the Care Environment' (PLACE). (See section on Facilities)

Attendance at Forum meetings during this period was steady, although the focus for 2019/20 is on increasing and diversifying group membership.

We believe that during the year we have continued, with our highly skilled, competent workforce, delivering high quality care to all.

### **Facilities and infrastructure**

The Hospice facilities are bright and modern having undergone a refurbishment in 2014 utilising Department of Health Grant monies. The open, welcoming reception is often commented on by patients, families and visitors. In early 2019 we employed a part time Caretaker to ensure that standards of cleanliness and repair are kept at high levels and he is fortunate to have the support of a committed team of volunteer handymen who are integral to the facilities team.

The café, at the centre of the building, is happy, relaxing, and vibrant and continues to bring a sense of normality to patients and families as they enjoy a quiet sit and pleasant views of the gardens so meticulously maintained by our volunteer gardeners. Staff, volunteers and indeed our colleagues from the Hospital enjoy the shared space which helps with integration of all staff teams.

Our Chief Executive and Trustees gain a sense of calm and security from patients and families when talking with them as they say the Hospice environment is relaxing, peaceful and extremely safe. Our Facilities Manager works hard to ensure the environment is well maintained and suitable for access to all patients, families and visitors.

The Hospice participated in 'PLACE' again in 2018, supported by members of the Patient, Family & Friends Forum, and scored well in most areas. Since the last assessment the Hospice has implemented the International Dysphagia Diet Food Descriptors; unused electrical sockets in communal areas now have covers

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on them; and our rolling programme of general maintenance has resulted in many of the 'Condition, Appearance & Maintenance' issues identified in the assessment, such as scuff marks on paintwork and water marks behind a communal sink, have been addressed.

The Capital Projects Committee concentrated its efforts last year on the building of the Children and Young People's Pavilion which opened in December 2018.

Early discussion also took place regarding the merging and extension of the Garden and Patio Rooms but this has now been put on hold until a clearer view of potential usage is established.

During the year Aintree Hospital started conversations regarding the development of the Hospital site and Woodlands took part in these discussions and presentations, seeking additional land in the plans for future development which would include larger bedrooms for patients and improved space and facilities for families and visitors. This development is currently on hold due to the scheduled merger of Aintree Hospital and The Royal and Broadgreen Liverpool Hospitals. Any development for Woodlands land and building in the future would be subject to a capital fundraising appeal.

The programme of renewing the bedroom doors and windows has progressed well with a number of rooms improved this year and we continue to submit grant applications to secure funding to complete this project.

The Refurbishment of the Ennerdale Care Home to the rear of the Hospice took place during this last year. Exemplar Health Care now own the building and a new facility is now open. 'Brook View' is a specialist nursing care home for adults with a range of complex nursing needs including neuro-disability, brain injury and stroke, mental health conditions and complex dementia. We met with Exemplar on a couple of occasions and continue to develop our relationship as healthcare colleagues and neighbours.

Next year we need to carefully consider the possibility of an additional water tank as a contingency. This follows the outage of water for a period last year which could have taken the Inpatient Unit out of action if the problem had not been quickly resolved by the Hospital maintenance team.

#### **Patient Information Systems/Data collection and Reporting**

Robust data collection and analysis is now embedded in daily routines and production of key reports for the Trustees and Commissioners an expectation.

We introduced a new web based Virtual Board Room (VBR) system in January 2019 to post all Board and Committee papers and reports to the site for more secure access by all Trustees and Committee members.

The Key Performance Indicators (KPIs) Board report (a summarised version of the full KPIs) is posted to this VBR together with the full set of KPIs for viewing if Trustees require further detail.

The data reports for CCGs continue on a quarterly basis incorporating results of key audits and patients stories to assist with demonstrating the impact of our services.

The much anticipated development of the patient information systems –EPR for Aintree Hospital and the Royal and Broadgreen Hospitals did not go live as originally planned and is now anticipated for April 2020. As Woodlands shares the Aintree Hospital system under an Information Sharing Agreement and an Access Support Agreement, we will be part of the development to EPR and have attended all necessary sessions for Hospice data and continue to work with the EPR team on impact on Woodlands with these anticipated changes. We are also part of the working group looking at EPaCCS which is a system being developed to enable sharing of key information between the GPs and the community healthcare teams and the Hospice and Hospitals.

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Information Governance and compliance with the General Data Protection Regulations (GDPR) is of prime concern for the Hospice and we once again achieved the required standards for Data Security Protection Toolkit (previously Information Governance toolkit) for 2018-19. The Hospice has a strong culture for acquiring, using, sharing, storing and destroying information in a highly confidential and effective way and managers take the situation seriously. Next year we will be enhancing the role of our Information Asset Owners to further heighten this responsibility and ensure support to each other across all aspects of the Hospice. Information Governance is a key agenda item on our Trustee led Governance Committee and monitored closely with all policies and processes being carefully reviewed.

The work undertaken by the Outcome Measures working group during the year includes audits of the IPOS tool in the Inpatient Unit and the Wellbeing and Support Centre with excellent results seen. The group is developing a patient friendly leaflet to explain the questionnaire to patients and families and training regarding outcome measures is being added to our online training tool.

#### **Human Resources**

With the Chair now having been in role for 2 years, we have undertaken a full review of the required skill mix for our Board to take us forward into the future, allocating current Trustees to these skills as primary and secondary roles. The gaps established after this exercise related to Board members with legal expertise, HR qualifications and/or experience, fundraising experience and a pastoral member representative of our communities. We are therefore focusing our recruitment drive on these skills and were fortunate recently to recruit a Solicitor to add to the Board. There are members of the Board who meet the required skills as secondary roles but we will continue to seek those with these skills as a primary role.

Whilst assessing our Board skills we also looked at the representation of our communities in relation to equality and diversity and we recognise that this is an area we need to also focus recruitment.

It has been noted that a number of Trustees have served well over the recommended 9 year term but to implement this recommendation in one year would cause serious problems to the Board and needs to be considered over the next few years as the rolling 3 year terms come to an end.

The Chair and Trustees have attended various training sessions in year and the Chair has commenced 1:1 annual review with each Trustee which has proved very beneficial. We were also able to pilot our more formalised Trustee Induction programme with our new Trustee and have made adjustments as a result of this.

The action plan from last year's Hospice UK Masterclass with Trustees looking at the Board effectiveness has been seen through to completion and included amended Board Agendas, more strategic thinking and increased visibility of the Board.

A significant area of development this last year in staffing has been the review of the CQC standards for Fit and Proper persons. Whilst our standards are good for employed staff and volunteers we have reviewed all those who work for us in any capacity. e.g. Consultants and Doctors employed by Aintree Hospital but providing services on a service level agreement (practising privileges), students (medical and nursing students) and bank nursing staff provided from the Aintree Hospital's Temporary Staffing service. A task and finish group was set up to address actions required to ensure full compliance with these standards and good progress seen.

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During the year we also undertook an up to date Training Needs Analysis for the organisation and reviewed the methods of delivery. The Hospice needed to move more of its training to digital formats for ease of access and to free up staff time taken with face to face training. Unfortunately the on line access we did have through Aintree Hospital was withdrawn in year following a change of NHS systems moving to links with staff electronic records which the Hospice could not access. An options appraisal undertaken for a variety of software packages resulted in us setting up our own on line training packages and monitoring of access. The task and finish group set up to develop all aspects of training is ongoing and excellent progress has been seen in year.

The HR function at the Hospice had been reliant for the last 8 years on the Chief Executive's HR Qualifications but a business case approved by the Board in year to create a new HR Manager role to proactively address all workforce issues (Staff and Volunteers) led to recruitment of this person from April 2019. Specific objectives for this role including improved sickness management, appraisals, training and development, fit and proper persons, staff support and staff resilience will ensure a good return on investment for this role.

A review of current staff support systems and a formal clinical supervision programme will be progressed in 2019/20.

Staffing levels have been affected in year with unprecedented nurse staff absence on the ward due to close personal bereavements and the inability to recruit cover at a time when nationally there is a huge shortage of nurses. This resulted in a closure of 3 beds for a short period to maintain safe and effective care.

In addition we have, like many other Hospices nationwide, experienced difficulty in recruiting to Palliative Care Consultant roles and with the maternity leave of one of our Consultants and bereavement leave of another again we experienced pressure on beds for a short period. One of our Consultant roles is currently being covered by a senior Specialty Doctor supervised by Consultants.

With recruitment to a revised Marketing and Communications Manager role for the Hospice (due July 2019) efforts will be made to modernise all means of communication internally with staff and volunteers to help improve overall communication. The anticipated payroll portal has gone live with the future potential of staff administering these themselves.

Progress has been seen in year with the administration processes for nursing and medical students although there is still work to be done with these.

### Volunteers

Woodlands has 220 volunteers undertaking a wide variety of roles across the Hospice and in our charity shops. Their strong presence throughout the Hospice in supporting roles is a key strength for the organisation and enables staff to concentrate on the care of the patient. The volunteers at our charity shops make a significant contribution to the hospice through raising funds from the donated goods which contributes to the overall income of the charity. Our charity could not exist without this 'additional workforce' and we welcome volunteers from all backgrounds with varying knowledge, skills and experience and representing the diversity of our communities.

The Hospice has further increased its number of volunteers over the last year mainly due to the opening of our fifth charity shop and additional volunteers in all our shops.

In year we tested a new Volunteer role on the ward which did not work out but we are reviewing how that role may work better to support nurses in the future. The Volunteer team within the Family Support team has gone from strength to strength during the year and are a source of great support to our patients.

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The Hospice remains extremely thankful and very appreciative of the support provided by all our volunteers.

#### **External relationships and collaboration**

There has been a strong focus this last year on all healthcare providers in Primary Care, Secondary Care and the Voluntary Sector working in collaboration to improve the patient experience, avoid duplication and ensure a cost effective service is provided across all communities. Woodlands has played a key role in the End of Life review across the City of Liverpool agreeing the principles of a new service model and working with all providers in our specific locality to deliver on this model. It is hoped that this model will be adopted by neighbouring communities of South Sefton and Knowsley who the Hospice also serves.

Our Chief Executive, Clinical Lead and Patient Services Manager have participated in all CCG strategic development groups and also in the North West Coast Strategic group for palliative and end of life services. Every opportunity has been taken to network with other hospices for service development as well as for fundraising and trading sharing of ideas.

Positive discussions have continued in year between the Palliative Care Consultants at Aintree Hospital and the Royal Liverpool Hospital to ensure a clear plan for services following the merger between the Hospitals in October 2019.

Having created a new Marketing and Communications Manager role from within existing resources in fundraising we anticipate far greater promotion of the Hospice and its services during 2019/20 in line with the developing marketing and communications strategy.

During the year we were delighted to welcome the Metro Mayor of Liverpool, Steve Rotheram, to assist with our Children and Young People's facility and to lay the related time capsule containing the hopes and dreams of our young people together with those of staff and volunteers for 10 years' time. We also invited local Councillors to the Hospice and CCG leads to continue to promote and discuss the Hospice services and indeed the challenging funding issues. Raising the profile of the role of Hospices within Health and Social care is critical to our future sustainability.

#### **Education**

Education about Palliative Care is a key responsibility of hospices in order to increase the confidence and competence of health professionals in managing patients with Palliative Care needs that they encounter in their areas of work. Woodlands takes this very seriously and professionals working at Woodlands participate in educational activity through the Aintree Specialist Palliative Care Services Education Group chaired by Dr Kate Marley, Woodlands' Clinical Lead.

Dr Marley is also a member of the Cheshire and Merseyside Palliative and End of Life Care Network Education strategy group which drives education provision in Palliative Care for the region. Full details of Woodlands educational programme last year can be found in the Quality Account.

#### **Research and Audit**

The Hospice has a policy to cover inclusion in research but, during this period, there was no appropriate national, ethically approved research study in palliative care in which it could participate.

The Cheshire & Mersey Palliative and End of Life Care network continue to look for general research opportunities in palliative care in the region and Woodlands awaits a suitable opportunity to participate in a research project.

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A weekly journal club enables members of staff to keep up to date with Palliative Care research.

#### **Income Generation**

Woodlands Hospice is voluntarily registered with the Fundraising Regulator and abides by the Fundraising Code of Practice in all its fundraising activities. We have played close attention to GDPR and its impact on fundraising and we are confident that we meet all of those regulations. Fundraising Regulation is overseen by the Trustee led Governance Committee.

Our Income Generation sub-committee chaired by the Treasurer with Trustee support, minutes of which are shared with the Trustees at Board meetings, has ensured a full understanding by all Trustees of the activities and approaches the Hospice uses in its fundraising efforts. The Trustees are satisfied that Woodlands Hospice is ethical in its approach and has developed required processes and procedures with supportive training to ensure complete transparency to all donors.

The revised structure for fundraising income streams and staffing levels continued during this year with the Head of Income Generation role (setting the strategic direction, achieving income targets and overseeing the operational matters) continuing to be covered by the Trustee led Income Generation Committee due to financial constraints.

In 2018/19 the fundraising team improved financial performance slightly on previous year (+£8.8k) but failed to achieve the internal target set, (shortfall of £68k) partly due to vacancies within the team. The vacancies resulted in an underspend on fundraising expenditure of £39k which partly negated the underachievement on fundraising income leaving a shortfall of £29k net position.

With more legacies than predicted in year (£57k against a target of £22k =variance to target of +£35k) the net position for fundraising and legacy income was +£6k giving an overall net improvement on return on investment for fundraising.

There was a significant staff turnover in fundraising at the end of this financial year, including the Head of Fundraising leaving for personal reasons but we recruited to a full team by the summer of 2019. In the interim period our Chief Executive line managed fundraising to ensure we kept pace with income generation, so critical to our ongoing sustainability

During the year the fundraising team continued with the reduced number of high profile events including the John Parrott golf tournament and our fifth Strictly for Woodlands dance event. We also ran, for the first time a 'Light Up The Night' sponsored walk in Crosby which proved extremely successful raising £28k, finishing the year with a new Children's Pirates and Princesses event. Our plans for the Events Manager to encourage our supporters to take on challenge events during the year brought excellent results with oncome raised from challenge events reaching an all-time high. This strategy will ensure a far higher return on investment for the Hospice.

During the year our Community Fundraising Manager has been looking to recruit new Community Fundraising Groups to regularly hold smaller community events such as coffee mornings, bingos, cake sales etc and who would help to bring in regular income for the Hospice. We have 4 groups signed up to this principle which will develop over time. In the past the community support groups raised considerable funds for the Hospice in this way and these Fundraising Groups are a more modern version of those extremely valuable support networks, all of which have now lapsed due to age and health of those involved.

In addition the Community Fundraising Manager is out and about busily trying to encourage members of our communities to run individual third party events of their own in aid of Woodlands Hospice and we have seen a growing number in the last year all of which mean so much to the Hospice.

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We are eternally grateful to all those who have helped to support us whether that be through support at events, challenges, or running events of their own. We would not be able to provide the services that we do without the ongoing support of those in our communities and we are extremely grateful for their ongoing generosity and kindness.

This last year has seen a steady growth of support from local organisations in the form of corporate volunteering and teams have assisted with activities such as gardening, painting, leaflet drops etc. This really helps the Hospice and the teams always report enjoyable days beneficial to them as team building exercises. We are gaining recognition locally as a charity keen to work with corporate teams in this way. We truly value this support.

Increased numbers of applications over the second half of the year to Grant Making Trusts for ongoing revenue resulted in increased revenue grants being received and a better performance to target by the year end for this income stream. A capital appeal, as in the previous year for the Children's Pavilion, inevitably takes focus off the applications for revenue.

Early discussion took place in year regarding more digital platforms for giving which we hope to see come to fruition in 2019/20. Once these are established we will be looking to develop campaigns for specific areas of giving.

#### **Legacies and Wills**

In 2018/19 we were extremely grateful to receive £57k in legacies. Without the generosity of these supporters who kindly made these bequests, we would not be able to continue to provide the services we do for our patients and their families and as always we remain extremely appreciative of their kindness.

Our Make a Will campaign enables people to prepare a standard Will with participating solicitors/professional will writers in exchange for a donation to Woodlands Hospice. We are very grateful to all the practices which have taken part and for all donations received.

#### **Lottery**

The Hospice Lottery provides a simple, low cost way to support the work of Woodlands through membership of the weekly draw. The income from this helps to provide a source of sustainable revenue that the Hospice can rely on to plan future budgets to continue to care for patients.

Sign-ups to the lottery membership have not been very successful during the last year and we continue to look at the best way to encourage these. There is no doubt that our previous system for sign up was cumbersome and the new on line sign up introduced in line with a move to a third party managing our lottery administration from May 2019 is proving beneficial.

The role of the lottery canvasser did not work out in the format we had established and we are currently searching for new ways to develop the role to engage with the public and promote the need for support in this way.

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#### **Charity Shops**

In 2014/15 the Board of Trustees approved a retail strategy to open five shops in the following three years as Woodlands currently trails behind other Hospices in securing much needed income from trading activities, particularly in relation to charity shops. This strategy continued for 2018/2020 strategy as there had been delays in sourcing appropriate shops in the first 3 years. With shops already open in Orrell Park, Old Swan and Maghull we opened a fourth shop in Norris Green in August 2018 and a fifth Shop in Kirkby in January 2019. Kirkby is a short term license arrangement to test the area and viability for a more permanent presence in Kirkby town centre.

It is still our intention in the next strategy to have a furniture shop as these traditionally yield an excellent return on investment. The Head of Trading is actively considering options for this. Cash in the Trading Company for set up costs of a furniture shop may prove a limiting factor but this remains to be seen.

The Gift Aid option in our charity shops was put on hold in year due to the need for full review of training and admin processes.

The performance of the charity shops has been somewhat mixed during the last year. Old Swan and Moss Lane shops returned excellent profits with Maghull beginning to improve following its switch to a volunteer led shop taking the paid manager out of the shop. Unfortunately Norris Green did not get off to a good start although improvements were seen in latter months. Kirkby started with a paid manager in role to ensure timely opening of the new shop but this absorbed the profits for the first couple of months. This shop has subsequently moved to a profitable position.

Unfortunately with the charity shops generally being older buildings we have had to pay for a number of repairs and safety enhancements in recent months which will affect profits for 2019/20.

The charity shops remain a good source of income growth and improved presence on the high street and our anticipated strategy to open more shops will continue.

#### **Hospice Shop**

The trading subsidiary also has a small gift shop located within the Hospice reception which is supported by dedicated volunteers, who also give up their time to attend events and outside activities to promote sales. The shop makes a small profit which could be increased with additional outlets for sales. These have been proactively sourced for 2019/20.

#### **Third Party Fundraisers**

The Hospice commissioned only one individual third party fundraiser during the period who is a commission based lottery single ticket seller. She is paid commission of 20 pence for every £1 collection and runs a small weekly round of approximately 200 to 300 sales. She has been trained on the Hospice procedures and is fully aware of the need to display the solicitation statement. Audit processes are in place for monitoring this third party fundraiser.

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#### **Marketing & Communications**

The Trustees recognise that the Hospice lacks a robust Marketing and Communications Strategy and having attempted unsuccessfully to commission a Marketing Consultant in 2018/19 to inform a new Marketing and Communications Strategy and coach staff to implement the marketing tactics, we reviewed the resource in fundraising and redirected monies from there to a new substantive post at the Hospice of a Marketing and Communication Manager reporting directly to the Chief Executive. Recruitment was successful from an internal candidate and the start made on a Marketing and Communications Strategy before the postholder went on maternity leave. Cover is currently being sought to progress this strategy urgently.

The Hospice continues to improve its digital presence and has engaged more proactively with all forms of social media and has started to develop on line platforms for fundraising and lottery. There is much more work to be done with this.

#### **FINANCIAL REVIEW**

##### **Principal Funding Sources**

Woodlands Hospice relies heavily on its own fundraising efforts but also on the grants that it receives from the local NHS and other grant making trusts. It is therefore important to ensure that the services we deliver provide public benefit without prejudice. This is demonstrated in the services of the Hospice being free at the point of delivery and accessible to all through clear referral criteria based on clinical need.

Due to the history of the Hospice with the transfer of the Inpatient Unit beds from Aintree University Hospital NHS Foundation Trust in 2009, Woodlands already receives higher than average NHS grant funding for core services which is greatly appreciated. As a result of an unexpectedly high increase to clinical salaries having to mirror the NHS Agenda for Change pay deal in year (Year 1 of a 3 year pay deal) and increases to the National Minimum Wage for non-clinical payscale (see Significant Events below) the Hospice continues to negotiate with the Clinical Commissioning Groups (CCGs) seeking additional funding to ensure the future sustainability of all services whilst making every effort to continually improve its income from fundraising and trading.

These discussions are ongoing but there is now a significant threat to Woodlands continuing to provide all current services in the future if the additional funding cannot be secured. New models of care for palliative and end of life services are being explored in conjunction with Hospital and Community healthcare colleagues and funding is likely to be linked to these developments. Woodlands has taken an active role in all of these development meetings and is keen to work in a more integrated way with healthcare colleagues to ensure future sustainability of services for patients and families however they may be delivered.

As mentioned earlier, the fundraising team achieved growth on the previous year of just above 1% but unfortunately fell short of its target income of £703K for the year. However, the savings in the salary costs of the fundraising team due to the vacancies did partly negate the shortfall in income. Legacy income was £220k less than previous year, with £57k received this year but the previous year included an amazing legacy of £190k from one legator. The £57k was however slightly higher than expected bringing total income from fundraising and legacies to £695k, just falling short of the overall £725k target.

The Trading Company also provides a much needed source of income to the Charity whilst also providing a presence on the high street and diversity in terms of how we engage with supporters of the Hospice. Income achieved in year was disappointing at £83k (£25k less than previous year and £33k short of target) but there was a vacancy in year of the Head of Trading post which was appointed to in August 2019. The new postholder has progressed well with the trading strategy in a very proactive way.

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Achieving £776k in voluntary income is a result of the ongoing generosity of our wonderful supporters, and their dedication, enthusiasm and hard work in raising money for the Hospice. We are so grateful to everyone who helped raise this income. Moving forward we will continue to engage proactively with all our communities and endeavour to introduce new and exciting ways in which people can support us.

During the year 2018-19 the contract that the Hospice had with South Sefton CCG for Hospice at Home services in that area was due for review. Expressions of interest were sought to provide the service for another 3 years (with the option to roll over for a further 2 years after that). With the specification of service not changing fundamentally from that which Woodlands had provided for 5 years on the previous contract we were confident to express an interest in continuing this service for the next 3-5 years albeit noting there was no increase to current funding for the contract. This service enables us to provide specialist palliative care to the residents of South Sefton in their own homes should this be their preferred place of care and Woodlands has earned a highly respected reputation out in the community for this specific service. We were delighted to be notified in March 2019 that we had been allocated the contract for a further 3-5 years supported by an NHS Standard Contract.

South Sefton CCG also fund a Care Homes End of Life Facilitator who is employed at the Hospice. This funding has now been incorporated into baseline funding from the CCG and will be included in usual funding negotiations as a key aspect of our service for South Sefton.

The Hospice at Home service and the Care Homes support enhances Woodlands presence in the South Sefton community.

#### **Significant Events**

##### **Increased salary and associated costs**

###### ***Clinical salaries increase due to NHS Agenda for Change 3 year pay deal***

Agenda for Change is the current NHS grading system and pay system for NHS staff excluding doctors, dentists, and very senior managers.

In June 2018 healthcare unions voted overwhelmingly to accept the proposed changes to the Agenda for Change system, agreeing to new pay scales and enhanced rates of pay for three years to March 2021 to be back dated from April 2018. While the Hospice is not an NHS employer, all clinical staff are paid based on the Agenda for Change pay scales in order to recruit and retain clinical staff. The agreed three year pay deal meant that clinical employees at the Hospice would receive increases over the three year period of between 6.5% and 22.7% depending on their Band and length of service.

Having budgeted for a 2% increase in clinical salaries for the year April 2018 to March 2019 in the absence of any further guidance at the start of the financial year, the Board reviewed this decision in July 2018 in the light of the published pay increase for NHS staff. They agreed unanimously that the Hospice had no choice other than to match the new pay scales (and backdate to April 2018) to continue to ensure the required levels of recruitment and retention. This was in line with most hospices nationally.

The Trustees were however very aware of the financial pressure this would put on the organisation but also aware that Hospice UK were in discussion with the Government on behalf of all Hospices to provide extra funding to Hospices to cover this increase in salaries. There was also an option to apply for additional funding for staff transferred from the NHS under TUPE regulations which was to be followed up by the Chief Executive. The Trustees agreed to formally review the situation again once the year end position was known with a view to amending or reducing services if required at that time.

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By the year end, regrettably Hospice UK announced that they had not been successful in securing additional funding for hospices and our application under the TUPE regulations had been turned down due to the TUPE transfer being on a static basis as at the point of transfer and not on a dynamic basis and also to be eligible for additional funding NHS England advised that all staff would need to be on Agenda for Change full contracts which was not the case for Woodlands.

The Hospice continues in negotiation with CCGs regarding additional funding as mentioned above.

#### **Utilisation of reserves to make up shortfall**

The building of the In-Patient Unit in 2009 clearly used significant free reserves of the Charitable Trust which have only been compounded since its opening due to increasing salary and pension costs, increased regulatory activities, pressure on NHS funding nationally with no uplift at all to NHS grant funding since 2009. The Hospice has made reported deficits in its reporting consolidated group accounts in five of the last seven years which has put added pressure onto the free reserves held by the Charity. Reserves have fallen by approximately 8.5% in the last seven years.

The two reporting periods where deficits have not been reported were as a result of the receipt of a substantial Department of Health grant for refurbishment in 2013, and a one off large legacy last year.

The Hospice has kept pace with the smaller previous deficits with a major cost savings plan implemented in 2016 and a focussed drive to develop the trading subsidiary which undoubtedly has potential for significant growth over time together with a new legacy strategy. The NHS pay deal agreed last year was not expected at such high levels without government support and this has been a catalyst to the Hospice now considering a full review of all of its services which is currently under discussion.

#### **Overall Result**

The final position for the Hospice Charitable Group at the end of the financial year reports a deficit of £377k against a predicted deficit for the year of £364k.

The amended budget for the year in light of unavoidable increases in staffing costs meant that the Trustees were aware of the considerable deficit forecast for the year to March 2019. The difficult decision taken in the year to close a small number of beds for a short period due to a shortage in Palliative Care Consultants meant that some areas of expenditure were underspent in the year. However, areas of underspend were negated by increased staffing costs as a result of increased staff costs to cover a number of staff sicknesses.

The deficit in year can be summarised into total income of £3.73M (2018: £3.98M) a decrease of 6% from the previous year, and total costs of £4.13M (2018: £3.89M) an increase of 6.1% on the previous year. Gains on investments against this result took the final deficit to £377K (2018: £93K surplus).

#### **Total Funds and Free Reserves**

At the end of the reporting period the Hospice Charitable Group held a total fund balance of £3.1M, which includes a tangible fixed asset value of £2.1M which would only be realised on the disposal of such fixed assets. The remaining fund balance of £1M includes restricted funds of £70K, of which £17K is to be spent on the core running costs of the Hospice in the year to March 2020, £17K is to fund capital projects and equipment, and £36K is hosted on behalf of a regional palliative care network which Woodlands is a key member of and will benefit like all participants from this funding for training.

At the end of March 2019 the level of free reserves held by the charity including the investment portfolio equated to just £948K (2018: £1.2M). Historically the reported free reserves have been calculated excluding

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the investments held by the Hospice and as such in years prior to the year ended March 2017 would appear much lower than those currently reported. The decision was taken by the Trustees in the 2017-18 to include the investments as part of free reserves based on the liquidity of the portfolio held.

The level of free reserves reported represent approximately 3 months running costs of the Charitable Trust alone excluding any Fundraising expenditure.

The documented aim of the Trustees in the year to March 2019 was to reach a level of free reserves equating to six months running costs of the organisation. It has not been possible to achieve this aim and serious concern remains regarding the low levels of reserves for the Charitable Trust facing increased deficit forecast for 2019/20 due to the salary increases previously mentioned.

Whilst the trading strategy and fundraising strategy combined could potentially restore the levels of free reserves in time to required levels the Trustees are considering the impact on the levels of free reserves of the very real threat of the increased expenditure. The Trustees have given consideration to this as a part of the recognition of principal risks and uncertainties facing the Hospice and their management going forward.

#### **Investment policy**

At the end of the reporting period (31<sup>st</sup> March 2019) the Charity held an investment portfolio (including cash held in the portfolio) valued at market value of £599,940 (31<sup>st</sup> March 2018: £564,297).

The objectives of the investment policy, as documented by the Trustees, is for the funds held in the portfolio to provide an above market average income from the surplus capital of the Charity, and to achieve a balanced return from income and capital growth. The policy states that an income should be strived for of approximately 4% of the capital value and in the reporting year to 31<sup>st</sup> March 2019 the portfolio had a total return of +6.10% which the Trustees considered to be acceptable. Since the 31<sup>st</sup> March 2019 the portfolio has risen in value to £627,374. This increase has seen the portfolio have a total return of +4.85% which again is considered satisfactory.

The investment policy of the Trustees documents a medium level of risk for the portfolio.

Whilst the Trustees do consider the ethical implications of the investments held in the portfolio by placing restrictions on direct investments in entities that may be in conflict with the charitable objects of the Hospice, they do understand that by using a collective approach it is impossible to avoid some sectors.

#### **Principal risks and uncertainties**

The Trustees have reviewed and identified the major risks and uncertainties that could impact on the Hospice. These are:

##### *Financial viability*

As detailed fully earlier in this report, the significant and unexpected level of increase in salary costs from the Government without any increase in funding has meant the Trustees have had to reconsider the planned way forward for financial viability. New service models for palliative and end of life care have been under discussion and development for the last 12-18 months and Woodlands has taken a key role in these discussions with hospital and community healthcare colleagues and the CCGs. Any additional funding is likely to be considered in line with these developments. All providers will consider how their services need to change to meet new models of care but decisions are not yet known as to the agreed way forward.

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The Prime Minister has promised an additional £25m to Hospices to keep front line services open as nationally 80% of hospices are now reported as posting annual deficits. Allocation of these funds is currently being considered between NHS England and Hospice UK on behalf of hospices but as one of the Hospices nationally with minimal reserves it is hoped that Woodlands will gain a share of this additional funding.

In addition the Prime Minister stated that a more sustainable funding model was needed for Hospices from April 2020 but there is little information available on this at the current time.

Hospices remain a key provider of health and social care services nationally and are fully recognised as such.

#### Minimal Free reserves

As detailed earlier in this report, the Trustees remain seriously concerned about the rapidly diminishing free reserves and are working with the Chief Executive, Medical Consultants and the CCGs on amendment to services to best serve the patients and families and keep the Hospice as a key part of any service model but in a financially sustainable way.

#### Brexit

During the year the Trustees have identified the risks relating to a Brexit 'No Deal' and produced and continually updated a formal risk assessment relating to areas such as medicines, clinical supplies and staffing. The Board believe we are prepared as far as is reasonably practical at the current time.

#### Medicines Management

Due to the complex nature of our patients and the high usage of controlled drugs on the inpatient ward, medicines mismanagement could be considered to be a risk to this organisation. However the organisation has robust policies and procedures in place supported by a system of continual internal auditing of such procedures to ensure maximum efficiency and effectiveness. We have a strong culture within the organisation of reporting any drugs incident, however minor, to ensure continual learning. Medicines policies and procedures are reviewed consistently by the Medicines Management working group and the Trustee led Clinical Governance Committee. Our established safe staffing levels are always appropriate to the patient numbers and dependency. We feel that this risk is mitigated by way of our systems and controls in place.

#### The proposed merger between Aintree University Hospital and The Royal Liverpool Hospital

This merger has taken place post balance sheet period (1 October 2019) and currently does not appear to pose a threat to the Hospice or its services.

#### Shortage of Medical Consultants in Palliative Care

Regrettably there is a national shortage of Palliative Care Consultants with many additional short term vacancies due to maternity leave as Palliative Medicine has a high proportion of female Consultants. Vacancies and sickness have impacted on Woodlands Hospice this year with a small number of bed closures needed in the summer of last year but the overall occupancy for the hospice maintained at 85% so no effect seen on funding. New models of delivery are being explored including increased responsibilities for speciality grade doctors and advanced nurse practitioner roles.

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#### Recruitment of trained nurses

Due to the national shortage of trained nurses, the Hospice has, at times during the year, struggled to recruit to vacancies on the Inpatient Unit. During the year the Hospice has piloted the role of a Pharmacy Technician to take the place of a Registered Nurse as this is a strategy the NHS is using in its hospitals. An evaluation of the pilot is due in November 2019. We have also looked at the role of the Nursing Associate apprenticeship which may be considered in 2019/20.

The Trustees feel that there are no further principle risks identified. The services Woodlands provides are a key part of the National End of Life strategy and necessary for our local communities. We have a highly skilled workforce and the premises are on a long term lease and have recently been refurbished to make them fit for purpose for the future.

#### **PLANS FOR THE FUTURE**

The overall clinical strategy will include the formal review of specialist palliative care services and end of life care across our communities and the need to work in collaboration or partnership with other providers to ensure future sustainability.

The trading strategy will continue to be a prime part of the overall financial strategy as benchmarking to other Hospices shows room for considerable growth with the right investment and drive.

The legacy strategy is an important part of our longer term sustainability and will be actively driven during the next 12 months.

#### **TRUSTEES' RESPONSIBILITIES**

The Trustees, who are also the directors of Woodlands Hospice Charitable Trust for the purpose of company law, are responsible for preparing the Trustees Report 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. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity 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 charity's website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

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**RISK MANAGEMENT**

The responsibilities of Trustees are defined by the Memorandum and Articles of Association, The Charities Act and company law.

These responsibilities include:

- Ensuring that the charity only undertakes activities that are within their objects and powers.
- Acting only in the interests of the charity and its beneficiaries.
- Taking decisions in keeping with their duty of care and duty to act prudently.
- Establishing management arrangements to ensure appropriate standards and procedures are in place, that those standards and procedures are complied with and corrective action taken where necessary.
- Ensuring compliance with all relevant statutory regulation and adoption of best practice principles.

The Trustees obtain comfort that their responsibilities are discharged by:

- Regular reports to the Board of Trustees.
- Independent audit of the accounts and financial systems.
- The authority of the Personnel, Finance, Income Generation and Governance Committees.
- The adoption of the appropriate policies and procedures including the risk management policy.
- Audit by external agencies (e.g. Fire Service, Environmental Health Inspectors,)

The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

**THE TRUSTEES**

The Trustees, who are also Directors for the purposes of company law, who served the charity during the year and the period up to which the accounts were approved were as follows:

B. Bartlett BA Hons Dip Arch RIBA (Chairman)  
C.M. Hubbert MRCPG DRCOG (Vice Chairman)  
C. Brennand FCA (Hon. Treasurer)  
W.J. Wood BSc MHSM Dip.HSM  
E. McDonald  
B. Lynne Roberts BA, Dip OT, PGCE, MBA, PhD  
A. Johnson  
S. Ollerhead  
A. Keith (Resigned 30 March 2019)  
D. Brown  
R Lee (Appointed 28 May 2019)

None of the trustees has any beneficial interest in the company.

**RELATED PARTIES AND OTHER CHARITIES**

The Charity has one wholly owned subsidiary, Woodlands Hospice Limited. The subsidiary operates a lottery and charity shops and uses this to support Woodlands Hospice Charitable Trust.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**TRUSTEES' ANNUAL REPORT**

**YEAR ENDED 31 MARCH 2019**

**AUDITORS**

A resolution to re-appoint Lonsdale & Marsh will be put to the Annual General Meeting.

**STATEMENT OF DISCLOSURE TO AUDITORS**

In so far as the Trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and;
- Each Trustee has taken the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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.

Registered office:  
Woodlands Hospice  
Aintree University Hospital Campus  
Longmoor Lane  
Liverpool  
L9 7LA

Signed by order of the Trustees

Mr B Bartlett BA Hons Dip Arch RIBA  
Chairman

Approved by the Trustees on 26<sup>th</sup> November 2019

**WOODLANDS HOSPICE CHARITABLE TRUST**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF**

**WOODLANDS HOSPICE CHARITABLE TRUST**

**Opinion**

We have audited the financial statements of Woodlands Hospice Charitable Trust (the “parent company”) and its subsidiary Woodlands Hospice Limited (the “subsidiary”) for the year ended 31 March 2019 which comprise the group Statement of Financial Activities, the group Summary Income and Expenditure account, the group and parent charitable company Balance Sheets, the group Cash Flow Statement and the 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 group and parent company’s affairs as at 31 March 2019 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report. We are independent of the Charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC’s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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 Charity’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 auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF**

**WOODLANDS HOSPICE CHARITABLE TRUST**

**Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (including the Strategic Report).

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us;
- the parent company financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

**Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statement, 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 they 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 group's and parent 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 group or parent company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

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

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF**

**WOODLANDS HOSPICE CHARITABLE TRUST**

**Use of our report**

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

**Elaine Frances McElroy (Senior Statutory Auditor)  
For and on behalf of Lonsdale and Marsh**

Date: 29 November 2019

**Chartered Accountants  
Statutory Auditor**

7<sup>th</sup> Floor  
Cotton House  
Old Hall Street  
Liverpool  
L3 9TX

**WOODLANDS HOSPICE CHARITABLE TRUST**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**

**YEAR ENDED 31 MARCH 2019**

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
<b>Income from:</b>					
Donations and legacies	2	690,669	4,478	695,147	915,612
Charitable activities	3	290,488	2,305,879	2,596,367	2,653,165
Other trading activities	4	365,798	-	365,798	341,902
Investment income	5	20,149	-	19,973	21,481
Other income	6	57,171	-	57,347	48,200
<b>Total income</b>		<b>1,424,275</b>	<b>2,310,357</b>	<b>3,734,632</b>	<b>3,980,360</b>
<b>Expenditure on:</b>					
Raising funds	7	627,037	-	627,037	543,506
Charitable activities	8	730,115	2,775,968	3,506,083	3,351,073
<b>Total expenditure</b>		<b>1,357,152</b>	<b>2,776,827</b>	<b>4,133,120</b>	<b>3,894,579</b>
Net gains/(losses) on investments	14	21,180	-	21,180	7,279
<b>Net income/(expenditure)</b>		<b>88,303</b>	<b>(465,611)</b>	<b>(377,308)</b>	<b>93,060</b>
<b>Transfers between funds</b>		<b>(443,533)</b>	<b>443,533</b>	<b>-</b>	<b>-</b>
<b>Net movement in funds</b>	12	<b>(355,230)</b>	<b>(22,078)</b>	<b>(377,308)</b>	<b>93,060</b>
<b>Reconciliation of funds:</b>					
Fund balances at 1 April 2018		3,441,762	92,915	3,534,677	3,441,617
Fund balances at 31 March 2019		<b>3,086,532</b>	<b>70,837</b>	<b>3,157,369</b>	<b>3,534,677</b>

The Statement of Financial Activities includes all gains and losses in the year and therefore a Statement of Total Recognised Gains and Losses has not been prepared

**WOODLANDS HOSPICE CHARITABLE TRUST**  
**SUMMARY INCOME AND EXPENDITURE ACCOUNT**  
**YEAR ENDED 31 MARCH 2019**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Total income	3,734,632	3,980,360
Total expenditure from income funds	4,133,120	3,894,579
	<hr style="width: 100%; border: 0.5px solid black; margin-bottom: 5px;"/> (398,488)	<hr style="width: 100%; border: 0.5px solid black; margin-bottom: 5px;"/> (85,781)
Net gains/(losses) on investments	21,180	7,279
Net income/(expenditure) for the year	<hr style="width: 100%; border: 0.5px solid black; margin-bottom: 5px;"/> (377,308)	<hr style="width: 100%; border: 0.5px solid black; margin-bottom: 5px;"/> 93,060

The summary income and expenditure account is derived from the statement of financial activities on page 30 which together with the notes on pages 33 to 55 provides full information on the movements during the year on all funds of the charity.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**CONSOLIDATED BALANCE SHEET**

**YEAR ENDED 31 MARCH 2019**

	Note	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		2,138,076		2,225,891
Investments	14		599,960		564,297
			<u>2,738,036</u>		<u>2,790,188</u>
<b>Current assets</b>					
Stock	15	2,466		3,681	
Debtors	16	103,113		306,718	
Cash at bank and in hand		694,166		797,661	
		<u>799,745</u>		<u>1,108,060</u>	
<b>Creditors: amounts falling due within one year</b>	17	(380,412)		(363,571)	
<b>Net current assets</b>			<u>419,333</u>		<u>744,489</u>
<b>Total assets less current liabilities</b>			<u>3,157,369</u>		<u>3,534,677</u>
<b>Net assets</b>			<u>3,157,369</u>		<u>3,534,677</u>
<b>Funds</b>					
Unrestricted:					
Other charitable funds	18	3,086,532		3,441,762	
			3,086,532		3,441,762
Restricted	19		70,837		92,915
<b>Total funds</b>			<u>3,157,369</u>		<u>3,534,677</u>

These financial statements were approved by the Board of Trustees and are signed on their behalf by:

MR B BARTLETT  
Trustee (Chairman)

Date: 26 November 2019

Company No: 03063721

The notes on pages 33 - 55 form part of these consolidated financial statements.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**BALANCE SHEET**

**YEAR ENDED 31 MARCH 2019**

	Note	2019		2018	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13		2,121,222		2,208,795
Investments	14		599,963		524,873
			<u>2,721,185</u>		<u>2,733,668</u>
<b>Current assets</b>					
Stock	15	409		409	
Debtors	16	156,246		424,904	
Cash at bank and in hand		594,883		651,737	
		<u>751,538</u>		<u>1,077,050</u>	
<b>Creditors: amounts falling due within one year</b>	17	(333,349)		(293,998)	
<b>Net current assets</b>			<u>418,189</u>		<u>783,052</u>
<b>Total assets less current liabilities</b>			<u>3,139,374</u>		<u>3,516,720</u>
<b>Net assets</b>			<u>3,139,374</u>		<u>3,516,720</u>
<b>Funds</b>					
Unrestricted:					
Other charitable funds	18	3,068,537		3,423,805	
			3,068,537		3,423,805
Restricted	19		70,837		92,915
<b>Total funds</b>			<u>3,139,374</u>		<u>3,516,720</u>

These financial statements were approved by the Board of Trustees and are signed on their behalf by:

MR B BARTLETT  
Trustee (Chairman)

Date: 26 November 2019

**Company No: 03063721**

The notes on page 33-55 form part of these consolidated financial statements.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**CONSOLIDATED CASH FLOW STATEMENT**

**YEAR ENDED 31 MARCH 2019**

	2019		2018	
	£	£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Net income/(expenditure) for the year (as per the SOFA)	(377,308)		93,060	
Adjustments for:				
(Gains)/losses on investments	(21,180)		(7,279)	
Depreciation of tangible fixed assets	138,925		143,276	
Bank interest receivable	(97)		(313)	
Investment interest receivable	(176)		(1,013)	
Dividend income from investments	(19,973)		(20,468)	
(Increase)/Decrease in stock	1,215		(1,461)	
(Increase)/Decrease in debtors	203,605		(136,213)	
Increase/(Decrease) in creditors	16,841		224	
	<hr/>		<hr/>	
<b>Cash from operations</b>	(58,148)		69,813	
Interest paid	-		-	
	<hr/>		<hr/>	
<i>Net cash provided/(used) in operating activities</i>	(58,148)		69,813	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Purchases of tangible fixed assets	(51,110)		(34,050)	
Bank interest receivable	97		313	
Investment interest receivable	176		1,013	
Income from other fixed asset investments	19,973		20,468	
Purchase of investments	(117,257)		(76,065)	
Proceeds from sale of investments	102,774		212,857	
	<hr/>		<hr/>	
<i>Net cash (used in) / provided by investing activities</i>	(45,347)		124,536	
	<hr/>		<hr/>	
<b>INCREASE/(DECREASE) IN CASH</b>	(103,495)		194,349	
CASH AT THE BEGINNING OF THE YEAR	797,661		603,312	
	<hr/>		<hr/>	
<b>CASH AT THE END OF THE YEAR</b>	694,166		797,661	
	<hr/>		<hr/>	

## **WOODLANDS HOSPICE CHARITABLE TRUST**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

#### **YEAR ENDED 31 MARCH 2019**

#### **1. ACCOUNTING POLICIES**

##### **Company Information**

Woodlands Hospice Charitable Trust is a private company limited by guarantee, incorporated in England and Wales. Its wholly owned subsidiary Woodlands Hospice Limited is a private company limited by shares incorporated in England and Wales (Company no: 03278425). The registered office of both the parent and subsidiary company is AUH Campus, Longmoor Lane, Liverpool, L9 7LA.

##### **Basis of Accounting**

The charity is a public benefit entity as defined by FRS 102.

The financial statements have been prepared under the historical cost convention, except for investments, modified for the revaluation of leasehold interest, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' (FRS 102) effective 1 January 2015, the Financial Reporting standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006.

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

##### **Group Financial Statements**

The consolidated financial statements incorporate the results of the charity and its wholly owned subsidiary Woodlands Hospice Limited on a line-by-line basis. A separate Statement of Financial Activities, and income and expenditure account, for the charity itself are not presented because the charity has taken advantage of the exemptions conferred by s408 of the Companies Act 2006. A summary of the financial performance of the charity can be found in Note 25.

##### **Going Concern**

The principal risks and uncertainties have been commented upon on pages 22 to 23 of the Trustees Report. The principal risk which could give rise to a potential going concern issue is the threat of a reduction in NHS funding. Funding at the current level has been agreed up to 31 March 2020.

##### **Income**

Income from donations, grants and legacies are recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Grants which are to be used for specific purposes, as laid down by the donor, are treated as restricted funds. Expenditure that meets the criteria is charged to the fund. Deferred income includes amounts received in advance of work to be undertaken in the next financial year. The funds are released when an individual fulfils the post and funds are released monthly in line with costs to deliver the service.

Grants, including those received from government agencies are recognised on the performance model. They are included under income from charitable activities.

Income from commercial trading operations represents shop sales of goods, excluding value added tax, and income from the sale of lottery tickets.

## WOODLANDS HOSPICE CHARITABLE TRUST

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### YEAR ENDED 31 MARCH 2019

#### 1. ACCOUNTING POLICIES (continued)

##### **Income (continued)**

Donated goods are not recognised as incoming resources on the Statement of Financial Activities on receipt of an item as it is impractical and not a cost effective use of resources. Instead the value of the donated goods is recognised as income when sold.

In accordance with the SORP (FRS102), the general volunteer time is not recognised on the Statement of Financial Activities. Refer to the trustee's annual report for more information on their contribution.

##### **Interest Receivable**

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

##### **Resources Expended**

Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that is not recoverable.

The cost of functions which support more than one of the charity's activities have been allocated to those activities to give a full cost of an activity. Management salaries, payroll costs and legal fees have been allocated to activities based on the size of the expense incurred, as this is in line with time spent. Depreciation has been allocated to the activities for which the depreciated assets are used.

##### **Fund Accounting**

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.
- Designated funds – these are funds set aside out of unrestricted general funds for specific purposes.
- 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 the funds are raised for a particular restricted purpose.

##### **Tangible Fixed Assets and Depreciation**

Tangible fixed assets are held at cost or valuation less depreciation. The costs of minor additions, being those below £250, are not capitalised.

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

Computer equipment	- 33% straight line
Fixtures and fittings	- 25% straight line
Furniture and equipment	- 25% straight line
Leasehold buildings	- Over the remaining lease term

## WOODLANDS HOSPICE CHARITABLE TRUST

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

#### YEAR ENDED 31 MARCH 2019

#### **1. ACCOUNTING POLICIES (continued)**

##### **Stock**

Stock comprises bought in goods for resale and is stated at the lower of cost or net realisable value. For donated goods see the accounting policy on income.

##### **Financial Instruments**

The company has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at the amount receivable or payable. Investments are held at fair value.

##### **Investments**

Listed investments are held at fair value, which is the market value as at the balance sheet date with any realised or unrealised gains or losses being recognised within the Statement of Financial Activities.

The investment in the subsidiary company, Woodlands Hospice Limited, is held at cost within the company balance sheet.

##### **Debtors**

Debtors are basic financial assets and are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

A concessionary loan was made in the year to March 2017 from Woodlands Hospice Charitable Trust to its subsidiary company Woodlands Hospice Limited to support the growth of the charity shops in order to increase the donated amount to the charity. In the current period this loan has been uplifted to support the growth of further shop locations. The loan is measured at the amount paid and is repayable over a period of three years but can be repaid on demand if necessary.

##### **Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held with banks. It also includes cash held with the investment portfolio in order to meet short term cash commitments such as the purchase of shares as they fall due.

##### **Leases**

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

##### **Pension Costs**

The company pays into three separate schemes:

The company contributes to the NHS Superannuation Scheme for certain former NHS employees. The employer's contribution into the scheme is at a rate of 14.38% of pensionable pay for the year to March 2019 and is disclosed in note 11. The employee's contribution is a variable percentage of pensionable pay. The scheme is unfunded and the charity has no further liability beyond the payments made during the year. The scheme is therefore accounted for as a defined contribution pension scheme with the costs equal to the contributions made for the accounting period.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**1. ACCOUNTING POLICIES (continued)**

**Pension Costs (continued)**

The company also contributes to a separate defined contribution pension scheme for non NHS employees and the contribution is disclosed in Note 11. The assets of the scheme are held in an independently administered fund. The company also contributes to the government's NEST pension scheme for fixed term workers, which is also a defined contribution scheme.

The cost of the employer pension contributions to the NHS Superannuation and other scheme is charged to the Statement of Financial Activities. The pension costs have been allocated according to the activity the employee undertakes. The costs of the activities are allocated between restricted or unrestricted according to how the funding for the activity is received.

**2. INCOME FROM DONATIONS AND LEGACIES**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2019</b>	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Donations	633,011	4,478	637,489	631,346	5,360	636,706
Legacies	57,658	-	57,658	278,906	-	278,906
	<u>690,669</u>	<u>4,478</u>	<u>695,147</u>	<u>910,252</u>	<u>5,360</u>	<u>915,612</u>

**3. INCOME FROM CHARITABLE ACTIVITIES**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Well-being & support centre	223,211	-	223,211
Outreach service	-	105,341	105,341
Lymphoedema service	-	56,151	56,151
Hospice at home	-	240,000	240,000
Family support worker	-	24,519	24,519
In-patient unit	-	1,813,931	1,813,931
Superannuation fund	13,047	-	13,047
Education/training	48,280	1,000	49,280
Outpatient accommodation	5,950	-	5,950
End of Life training prog-care homes	-	44,817	44,817
Equipment fund	-	20,120	20,120
	<u>290,488</u>	<u>2,305,879</u>	<u>2,596,637</u>

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**3. INCOME FROM CHARITABLE ACTIVITIES (continued)**

	<b>Unrestricted Funds</b>	<b>Restricted Funds</b>	<b>Total Funds 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Well-being & support centre	223,212	-	223,212
Outreach service	-	105,341	105,341
Lymphoedema service	-	58,384	58,384
Hospice at home	-	240,000	240,000
Family support worker	-	24,518	24,518
Macmillan family support worker	-	21,699	21,699
In-patient unit	-	1,829,918	1,829,918
Superannuation fund	14,031	-	14,031
Education/training	48,280	1,040	49,320
Outpatient accommodation	5,950	-	5,950
End of Life training prog-care homes	-	44,817	44,817
Equipment fund	-	35,975	35,975
	<u>291,473</u>	<u>2,361,692</u>	<u>2,653,165</u>

**4. INCOME FROM OTHER TRADING ACTIVITIES**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Lottery	188,512	207,322
Charity shops	177,286	134,580
	<u>365,798</u>	<u>341,902</u>

**5. INVESTMENT INCOME**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Dividends received	19,973	20,468
Investment interest	176	1,013
	<u>20,149</u>	<u>21,481</u>

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**6. OTHER INCOME**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Catering services	47,643	45,472
Sundry income	9,431	2,415
Bank interest receivable	97	313
	57,171	48,200

**7. EXPENDITURE ON RAISING FUNDS**

<b>Activity</b>	<b>Direct Cost of Activity</b>	<b>Support Costs</b>	<b>Total Costs 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fundraising and publicity:</b>			
Appeals costs	79,632	13,307	92,939
Salaries	202,236	20,337	222,573
Investment management fee	4,797	-	4,797
<b>Commercial trading operations:</b>			
Lottery	92,365	8,767	101,132
Charity shop	183,856	21,740	205,596
	562,886	64,151	627,037

<b>Activity</b>	<b>Direct Cost of Activity</b>	<b>Support Costs</b>	<b>Total Costs 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fundraising and publicity:</b>			
Appeals costs	64,551	16,200	80,751
Salaries	172,942	18,293	191,235
Investment management fee	4,907	-	4,907
<b>Commercial trading operations:</b>			
Lottery	96,127	9,263	105,390
Charity shop	142,987	18,236	161,223
	481,514	61,992	543,506

Expenditure on raising funds was £627,037 (2018: £543,506) of which all was unrestricted.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**8. EXPENDITURE ON CHARITABLE ACTIVITIES**

	Direct Cost of activity	Support Costs	Total Costs
	£	£	2019 £
<b>Charitable activity:</b>			
Well-being & support centre	297,885	32,555	330,440
In-patient bedded unit	2,050,501	296,848	2,347,349
Therapy team	171,322	-	171,322
Hospice at home	189,525	15,885	205,410
Lymphoedema service	58,284	4,885	63,169
End of life training - care homes	46,212	3,873	50,085
Family support team	127,703	10,703	138,406
Outreach	119,926	1,543	121,469
Catering services	53,789	12,149	65,938
Staff training	1,956	-	1,956
Equipment fund	9,843	-	9,843
Dying matters	160	-	160
GP Programme	536	-	536
	3,127,642	378,441	3,506,083

	Direct Cost of activity	Support Costs	Total Costs
	£	£	2018 £
<b>Charitable activity:</b>			
Well-being & support centre	257,951	34,214	292,165
In-patient bedded unit	2,114,885	295,107	2,409,992
Hospice at home	191,075	16,878	207,953
Lymphoedema service	59,695	5,273	64,968
End of life training - care homes	45,826	4,048	49,874
Family support team	97,656	8,625	106,281
Macmillan family support worker	27,902	2,465	30,367
Outreach	117,308	1,509	118,817
Catering services	52,612	12,288	64,900
Volunteer's summer party	1,421	-	1,421
Staff training	1,009	-	1,009
Equipment fund	2,583	-	2,583
Dying matters	497	-	497
CPR training	246	-	246
	2,970,666	380,407	3,351,073

Expenditure on charitable activities was £3,506,083 (2018: £3,351,073) of which £730,115 (2018: £690,970) was unrestricted, and £2,775,968 (2018: £2,660,103) was restricted.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**9. ANALYSIS OF GOVERNANCE AND SUPPORT COSTS**

	<b>General Support</b>	<b>Governance Function</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Depreciation	138,925	-	138,925
Management salaries	252,425	-	252,425
Audit fees	-	8,075	8,075
Payroll & other costs	28,944	-	28,944
Insurance & legal fees	14,223	-	14,223
	<hr/> 434,517	<hr/> 8,075	<hr/> 442,592

	<b>General Support</b>	<b>Governance Function</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Depreciation	143,276	-	143,276
Management salaries	251,228	-	251,228
Audit fees	-	7,600	7,600
Payroll & other costs	25,762	-	25,762
Insurance & legal fees	14,532	-	14,532
	<hr/> 434,798	<hr/> 7,600	<hr/> 442,398

**10. TAXATION**

Corporation Tax has not been chargeable to either company for the year to 31<sup>st</sup> March 2019. The trading subsidiary has tax losses carried forward of £24,159 (2018: £24,128).

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**11. EMPLOYEE COSTS**

<b>The aggregate payroll costs were:</b>	<b>2019</b>		<b>2018</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Wages and salaries		2,684,203		2,490,656
NI contributions		197,592		173,860
Pension costs:				
Defined contribution scheme	81,446		69,471	
Contributions to Superann. Scheme	<u>156,662</u>	<u>238,108</u>	<u>157,127</u>	<u>226,598</u>
		<u>3,119,903</u>		<u>2,891,114</u>

**Particulars of employees:**

	<b>2019</b>	<b>2018</b>
	<b>No</b>	<b>No</b>
The average number of staff employed by the charity and the group during the financial year:		
Number of charitable service staff	91	84
Number of administrative staff	8	10
Number of fundraising staff	16	16
	<u>115</u>	<u>110</u>

During the year the charity employed approximately 77 part time staff, including 21 employees on a zero hours contract.

Numbers of employees who received remuneration in excess of £60,000 per annum are listed below:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
£60,000 - £69,999	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>

Neither the trustees nor any other person connected with them have received any remuneration during the year.

The trustees were not reimbursed for expenses during the year (2018: £Nil).

The key management personnel of the group comprise the trustees, Chief Executive Officer and senior management. The total employee benefits of the key management personnel of the group were £148,591 (2018: £144,358).

The doctors and the associated clerical support, at Woodlands Hospice are contracted to work at the Hospice through a service level agreement with Aintree University Hospital NHS Foundation Trust. The total amount recharged from Aintree Hospital to the Hospice in the year for these services was £221,027 (2018: £222,758). In the year to March 2019 the Hospice incurred agency costs in relation to the Therapy team of £2,962 (2018: £3,048).

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**11. EMPLOYEE COSTS (continued)**

The Aintree University Hospital NHS Foundation Trust also provides the hospice with access to its Nurse Bank to ensure that the hospice is able to have all shifts suitably manned during periods of staff absence. Aintree Hospital invoice the hospice based on the nurses used on a monthly basis. The total amount recharged from Aintree Hospital to the Hospice in the year for this service was £68,668 (2018: £74,878).

**12. MOVEMENT IN TOTAL FUNDS FOR THE YEAR**

This is stated after charging:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Depreciation	138,925	143,276
Fees payable to the charity's auditors for:		
• the audit of the charity's annual accounts	5,100	5,100
• the audit of the charity's subsidiary	2,975	2,500
• other accounting services	-	1,500
	<u>8,075</u>	<u>9,100</u>

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**13. TANGIBLE FIXED ASSETS**

<b>GROUP:</b>	<b>Fixtures, Fittings &amp; Computers £</b>	<b>Short Leasehold Buildings £</b>	<b>Furniture &amp; Equipment £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>				
At 1 April 2018	314,050	3,263,363	415,466	3,992,879
Additions	515	40,458	10,137	51,110
Disposals	-	-	(4,042)	(4,042)
At 31 March 2019	<u>314,565</u>	<u>3,303,821</u>	<u>421,561</u>	<u>4,039,947</u>
Comprising:				
Cost	314,565	3,108,821	421,561	3,844,947
Valuation 1996	-	195,000	-	195,000
	<u>314,565</u>	<u>3,303,821</u>	<u>421,561</u>	<u>4,039,947</u>
<b>DEPRECIATION</b>				
At 1 April 2018	271,335	1,100,073	395,580	1,766,988
Charge for the year	8,281	111,734	18,910	138,925
On disposals	-	-	(4,042)	(4,042)
At 31 March 2019	<u>279,616</u>	<u>1,211,807</u>	<u>410,448</u>	<u>1,901,871</u>
<b>NET BOOK VALUE</b>				
At 31 March 2019	<u>34,949</u>	<u>2,092,014</u>	<u>11,113</u>	<u>2,138,076</u>
At 31 March 2018	<u>42,715</u>	<u>2,163,290</u>	<u>19,886</u>	<u>2,225,891</u>

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**13. TANGIBLE FIXED ASSETS (continued)**

<b>COMPANY:</b>	<b>Fixtures, Fittings &amp; Computers £</b>	<b>Short Leasehold Buildings £</b>	<b>Furniture &amp; Equipment £</b>	<b>Total £</b>
<b>COST OR VALUATION</b>				
At 1 April 2018	302,160	3,249,116	415,466	3,966,742
Additions	-	35,453	10,137	45,590
Disposals	-	-	(4,042)	(4,042)
At 31 March 2019	302,160	3,284,569	421,561	4,008,290
Comprising:				
Cost	302,160	3,089,569	421,561	3,813,290
Valuation 1996	-	195,000	-	195,000
	302,160	3,284,569	421,561	4,008,290
<b>DEPRECIATION</b>				
At 1 April 2018	267,239	1,095,128	395,580	1,757,947
Charge for the year	5,766	108,487	18,910	133,163
On disposals	-	-	(4,042)	(4,042)
At 31 March 2019	273,005	1,203,615	410,448	1,887,068
<b>NET BOOK VALUE</b>				
At 31 March 2019	29,155	2,080,954	11,113	2,121,222
At 31 March 2018	34,921	2,153,988	19,886	2,208,795

The revaluation relates to the old outpatient/day therapy buildings of the Hospice which were redesigned in a previous reporting period and rebranded as the Well-Being and Support Centre. The costs of the redesign were capitalised and the Trustees are satisfied that the value of the buildings in the financial statements sufficiently reflect the actual value of the building. The Trustees are not aware of any other material changes to the valuation of the buildings.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**14. INVESTMENTS**

**GROUP:**

Listed investment portfolio:	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Market value as at 1 April 2018	524,870	654,383
Additions at cost	102,688	76,065
Disposals at market value	(102,774)	(212,857)
Net gain/(loss) in market value		
Realised	7,744	50,278
Unrealised	13,436	(42,999)
	<u>21,180</u>	<u>7,279</u>
Market value as at 31 March 2019	545,964	524,870
Cash held in portfolio	53,996	39,427
	<u>599,960</u>	<u>564,297</u>

The investments had the following market values as at the year end:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
UK Fixed Interest	62,337	68,800
Overseas Fixed Interest	54,583	21,819
UK Equities	143,688	143,139
Overseas Equities	177,025	187,276
Property	32,319	33,292
Alternative Investments	76,012	70,544
	<u>545,964</u>	<u>524,870</u>

There were no individual investments exceeding 5% of the total portfolio value as at 31 March 2019.

The cost of the investments as at 31 March 2019 was £462,392 (2018 £532,726).

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**14. INVESTMENTS (continued)**

**COMPANY:**

In addition to the investment portfolio held with Investec which is disclosed above within the group note, the charity also has an investment of £3 in its wholly owned subsidiary Woodlands Hospice Limited (WHL), which is incorporated in England & Wales (Company No: 03278425)

WHL operates charity shops and the hospice lottery to help support its parent company. During the year, WHL transferred £80,900 (2018: £98,030) under the terms of a profit shedding agreement.

The summary financial position and performance of the subsidiary alone is:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Turnover	365,894	341,940
Expenditure	365,857	344,814
(Loss)/profit	37	(2,874)
Gross assets	133,687	212,812
Liabilities	115,689	194,852
Net assets	17,998	17,960

**15. STOCK**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Goods bought for resale	<u>2,466</u>	<u>3,681</u>	<u>409</u>	<u>409</u>

**16. DEBTORS**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	13,679	29,293	13,679	29,293
Prepayments	48,396	34,163	32,906	27,073
Other debtors	41,038	243,262	41,038	243,262
Amount owed by subsidiary	-	-	68,622	125,276
	<u>103,113</u>	<u>306,718</u>	<u>156,245</u>	<u>424,904</u>

Amounts falling due after more than one year and included in the debtors above are:

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amount owed by subsidiary	<u>-</u>	<u>-</u>	<u>2,250</u>	<u>2,250</u>

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**17. CREDITORS: Amounts falling due within one year**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	132,692	117,770	119,761	111,762
Accruals	78,821	66,375	48,665	31,500
Deferred income	-	-	-	-
Taxation and social security	94,009	75,595	90,030	75,152
Other creditors	74,890	103,831	74,890	75,581
Amounts owed by subsidiary	-	-	3	3
	<u>380,412</u>	<u>363,571</u>	<u>333,349</u>	<u>293,998</u>

**Deferred income**

**GROUP AND COMPANY:**

	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance brought forward	23,051	21,506	-	-
Release of deferred income	(1,916)	1,545	-	-
Balance carried forward	<u>21,135</u>	<u>23,051</u>	<u>-</u>	<u>-</u>

Deferred income relates to the lottery membership subscriptions within the trading company.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**18. UNRESTRICTED FUNDS**

<b>GROUP:</b>	<b>General Fund £</b>	<b>Total £</b>
Balance at 1 April 2018	3,441,762	3,441,762
Incoming resources	1,440,634	1,440,634
Resources expended	(1,357,152)	(1,337,152)
Gains on investments	4,821	4,821
Restricted Funds Transfer (Note 19)	(443,533)	(443,533)
Balance at 31 March 2019	<u>3,086,532</u>	<u>3,086,532</u>

<b>COMPANY:</b>	<b>General Fund £</b>	<b>Total £</b>
Balance at 1 April 2018	3,423,805	3,423,805
Incoming resources	1,115,639	1,115,639
Resources expended	(1,072,195)	(1,072,195)
Gains on investments	4,821	4,821
Restricted Funds Transfer (Note 19)	(443,533)	(443,533)
Balance at 31 March 2019	<u>3,028,537</u>	<u>3,028,537</u>

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**19. RESTRICTED FUNDS**

**GROUP AND COMPANY:**

	<b>Balance as at 1 April 2018 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfer (to) / from unrestricted fund £</b>	<b>Balance as at 31 March 2019 £</b>
Family support worker	-	24,519	(127,703)	103,184	-
Lymphoedema service	15,263	56,151	(58,284)	-	13,130
Hospice at Home	925	240,000	(189,525)	(48,000)	3,400
15 - Bed in-patient unit	-	1,813,931	(2,050,501)	236,570	-
Therapy Team	-		(171,322)	171,322	-
Social worker funding	7,352	-	-	-	7,352
Community awareness	1,664	-	-	-	1,664
End of Life – care homes	-	44,817	(46,212)	1,395	-
ICN comms skills	7,752	-	-	-	7,752
GP programme	12,507	-	(536)	-	11,971
Unified DNA CPR Training	1,000	-	-	-	1,000
ACST (MCCN)	3,664	-	-	-	3,664
MDT development fund	800	-	-	-	800
Dying matters	2,851	-	(160)	-	2,691
Community Outreach	-	105,341	(119,926)	14,585	-
Training Fund	-	1,000	(1,956)	956	-
Equipment fund - grants	33,970	19,688	(7,364)	(35,775)	10,519
Equipment fund- donations	5,167	4,910	(2,479)	(704)	6,894
	<u>92,915</u>	<u>2,310,357</u>	<u>(2,775,968)</u>	<u>443,533</u>	<u>70,837</u>

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**19. RESTRICTED FUNDS (continued)**

**GROUP AND COMPANY:**

	<b>Balance as at 1 April 2017 £</b>	<b>Incoming Resources £</b>	<b>Resources Expended £</b>	<b>Transfer (to) / from unrestricted fund £</b>	<b>Balance as at 31 March 2018 £</b>
Family support worker	-	26,518	(97,656)	71,138	-
Macmillan FSW	5,350	21,699	(27,902)	853	-
Lymphoedema service	16,573	58,384	(59,695)	-	15,263
Outreach service	22,575	105,341	(117,308)	(10,608)	-
Hospice at Home	-	240,000	(191,075)	(48,000)	925
15 - Bed in-patient unit	-	1,829,918	(2,114,885)	284,967	-
Education/training etc.	44	1,040	(1,009)	(75)	-
Social worker funding	7,352	-	-	-	7,352
Community awareness	1,664	-	-	-	1,664
End of Life – care homes	-	44,817	(45,826)	1,009	-
ICN comms skills	7,752	-	-	-	7,752
GP programme	12,507	-	-	-	12,507
Unified DNACPR Training	52	-	(246)	1,194	1,000
ACST (MCCN)	3,664	-	-	-	3,664
MDT development fund	800	-	-	-	800
Dying matters	3,348	-	(497)	-	2,851
Volunteer's summer party	-	-	(1,421)	1,421	-
Percy Bilton fund	340	-	-	(340)	-
Equipment fund - grants	17,233	33,975	(2,187)	(15,051)	33,970
Equipment fund - donations	935	5,360	(396)	(732)	5,167
	<u>100,190</u>	<u>2,367,052</u>	<u>(2,660,103)</u>	<u>285,776</u>	<u>92,915</u>

See note 23 for further details on transfers between funds.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**19. RESTRICTED FUNDS (continued)**

**Family Support Worker**

This conditional grant from South Sefton CCG is provided to contribute to the cost of family support worker services across our In-Patient unit and our Well-Being and Support Centre.

**Macmillan Family Support Worker**

Funds received from Macmillan Cancer Support to fund one whole time Family Support Worker were received for two years, coming to an end in September 2017. Income was received monthly and the monies were released as the costs were incurred.

**Lymphoedema Service**

This conditional grant from South Sefton CCG is provided to contribute to the cost of Lymphoedema services.

**Outreach Service**

This conditional grant from Sefton, Liverpool and Knowsley CCGs is provided to contribute to the cost of Community Outreach services. A proportion of our therapy team costs are allocated to this fund.

**Hospice at Home**

This grant is from Sefton CCG and is provided to run a Hospice at Home Service for patients with a South Sefton GP.

**15 - Bed In-patient Unit**

This conditional grant from Sefton, Liverpool and Knowsley CCGs is provided to contribute to the cost of In Patient services.

**Education/Training**

The Hospice applies for training grants from various grant making trusts throughout the year to supplement staff training costs. Expenditure on staff training is directly attributed against this fund as the appropriate costs are incurred.

**Social Worker Funding**

These monies from Merseyside and Cheshire Cancer Network (MCCN), hosted on behalf of the Aintree Integrated Cancer Network (ICN), were provided for the ICN to deliver training to social workers on end of life care. Monies are released as costs are incurred.

**Community Awareness**

These brought forward monies from Merseyside and Cheshire Cancer Network (MCCN), hosted on behalf of the Aintree Integrated Cancer Network (ICN), were provided for the network to engage with the community on dying and end of life matters. Funds are released as costs are incurred.

**End of Life Training Programme – Care Homes (6 steps)**

This grant is received from South Sefton CCG to fund a care home facilitator. Funds are released as costs are incurred.

**ICN Comms Skills – Education Post**

These brought forward funds, hosted for Aintree Integrated Cancer Network (ICN) and provided by Merseyside and Cheshire Cancer Network (MCCN), are remaining monies from communications skills training rebadged for role of ICN education facilitator. Funds are released as costs are incurred.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**19. RESTRICTED FUNDS (continued)**

**ICN Comms Skills Local Programme**

These brought forward funds, hosted for Aintree Integrated Cancer Network (ICN) and provided by Merseyside and Cheshire Cancer Network (MCCN), are remaining funds from MPET funding for local communications skills training.

**GP Programme**

These brought forward funds, hosted for Aintree Integrated Cancer network (ICN) provided by Merseyside and Cheshire Cancer Network (MCCN), are remaining funds for GP end of life education programmes. Monies are released as costs are incurred.

**Unified DNACPR Training**

Funds were received to fund the training of staff in "Do Not Attempt CPR". Monies are released as costs are incurred.

**Advanced Communications Skills Training/Train the Trainer (MCCN)**

These brought forward funds, hosted for Aintree Integrated Cancer Network (ICN) provided by Merseyside and Cheshire Cancer Network (MCCN), are remaining funds for advanced communications skills training. Monies are released as costs are incurred.

**MDT Development Fund**

Funding was received from Multi Professional Education and Training levy (MPET) in order to develop a local plan for MDT development. Monies are released as costs are incurred.

**Dying Matters**

Monies received in a previous year from South Sefton CCG in order that the Hospice could actively participate in Dying Matters week by hosting events in order to promote a greater awareness around death and dying. The hospice has now hosted three events for dying Matters week and will continue to participate in future years with the use of this fund.

**Equipment Funds**

This includes grants from various Charitable Trusts and also donations from individuals for specific items of equipment and furniture to be used either for the benefit of patients or staff. Where funds are expended on capital items the fund is appropriately reduced by a transfer equivalent to the capital cost.

**Volunteer Party Fund**

In previous years grants have been received to fund the volunteer Christmas and Summer parties and as such the expenditure against such activities is still shown as restricted.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**20. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)**

	<b>Tangible fixed assets</b>	<b>Investments</b>	<b>Other net assets</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted Funds	-	-	70,837	70,837
Unrestricted Funds	2,138,076	599,960	348,496	3,086,532
	<u>2,138,076</u>	<u>599,960</u>	<u>419,333</u>	<u>3,157,369</u>
	<b>Tangible fixed assets</b>	<b>Investments</b>	<b>Other net assets</b>	<b>Total 2018</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Restricted Funds	-	-	92,915	92,915
Unrestricted Funds	2,225,891	524,870	691,001	3,441,762
	<u>2,225,891</u>	<u>524,870</u>	<u>783,916</u>	<u>3,534,677</u>

**21. COMMITMENTS UNDER OPERATING LEASES**

At 31<sup>st</sup> March 2019 the group and company had future minimum payments under non-cancellable operating leases as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
In one year or less	12,827	14,387
In more than one year, but not more than 5 years	11,748	27,566
In greater than 5 years	-	-
	<u>24,575</u>	<u>41,953</u>

**22. RELATED PARTY TRANSACTIONS**

During the year the company entered into transactions with its wholly owned subsidiary, Woodlands Hospice Limited. The transactions can be summarised as follows:

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Donations from subsidiary	80,900	98,030
Transfer of expenditure to the subsidiary:		
Salaries	123,533	109,617
Other general overheads	27,837	4,917

At 31 March 2019, there was a balance due to the company from Woodlands Hospice Limited of £68,622 (2018: £125,276).

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**23. GROSS TRANSFERS BETWEEN FUNDS**

Transfers from unrestricted funds to restricted funds represent a particular restricted area of resources where total expenditure exceeds the incoming resources for this service. The deficit is therefore transferred from the unrestricted funds to ensure that individual funds do not show a deficit at the year end.

The transfer between the restricted fund for Hospice at Home and unrestricted funds is to account for the management and administrative costs and the overhead expenses of this service as agreed with South Sefton CCG.

**24. GUARANTEE**

The charitable company is limited by guarantee and has no share capital. The members' liability is restricted to £1 in accordance with the memorandum and articles.

**WOODLANDS HOSPICE CHARITABLE TRUST**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

**YEAR ENDED 31 MARCH 2019**

**25. RESULTS OF THE COMPANY**

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiary, Woodlands Hospice Limited, which operates the hospice lottery and a charity shop.

The summary financial performance of the charity alone is:

	<b>Total Funds 2019 £</b>	<b>Total Funds 2018 £</b>
<b>Income from:</b>		
Donations and legacies	695,147	915,612
Payments from subsidiaries	80,900	98,030
Grants receivable	2,596,367	2,653,165
Interest receivable	176	276
Investment income	36,332	21,481
Other Income	57,074	47,887
<b>Total Income</b>	<b>3,465,996</b>	<b>3,736,451</b>
<b>Expenditure on:</b>		
Raising funds	286,665	296,725
Charitable activities	3,561,498	3,351,073
<b>Total Expenditure</b>	<b>3,848,163</b>	<b>3,647,798</b>
Net (losses)/gains on investments	4,821	7,279
<b>Net movement in funds</b>	<b>(377,346)</b>	<b>95,932</b>
<b>Reconciliation of funds:</b>		
Total funds brought forward	3,516,720	3,420,788
Total funds carried forward	<b>3,139,374</b>	<b>3,516,720</b>
<b>Represented by:</b>		
Restricted funds	70,837	92,915
Unrestricted funds	3,068,537	3,423,805
	<b>3,139,374</b>	<b>3,516,720</b>