



Wirral Hospice St John's Trustee Annual Report & Accounts 2017/2018

Help Wirral Hospice keep serving our community

Company Registration: 1518364

Charity No: 510643

Annual Report 2017/18

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The Trustees present their report together with the consolidated financial statements for the year ended 31 March 2018. The Trustees confirm that the financial statements comply with current statutory requirements, with those of the company's Memorandum and Articles of Association and those of the Statement of Recommended Practice (FRS102).

Reference and Administrative Details

Charity Number:	510643
Company Number:	1518364
Registered Office:	Mount Road Higher Bebington Wirral, CH63 6JE
Auditors:	BWM Castle Chambers, 43 Castle Street Liverpool, L2 9SH
Bankers:	HSBC Bank plc 31 The Pyramids, Grange Road Birkenhead, CH41 2ZL
Solicitors:	Brabners LLP Horton House, Exchange Flags Liverpool, L2 3YL
Investment Manager:	Investec Wealth & Investment Limited 100 Old Hall Street Liverpool L3 9AB

Directors and Trustees

President His Honour John Roberts

The Directors of the charitable company are its Trustees for the purpose of charity law and throughout this report are collectively referred to as the Trustees.

The Trustees serving during the year, and since the year end, were as follows:-

Dr P J R Cuthbertson MBE	Chairman (Term of office concluded 31.08.2018)
Mr S Schroeder	Chairman 01.09.2018
Dr B C Oates	Deputy Chairman
Mr G M Ridgway	Treasurer
Mr S Burrows DL	Trustee
Dr J Quinn	Appointed 26.02.2018
Dr H Leggat	Appointed 26.02.2018
Dr S M Brennan	Resigned 29.01.2018
Mr P Shepherd	Resigned 31.01.2018
Mrs M Granby	Resigned 31.07.2018
Mr C M Pope	Term of office concludes 31.10.2018
Mrs A Johnson	Term of office concludes 31.10.2018

Company Secretary Mr J R Pentland

Senior Managers	Ms H Knight	Chief Executive Officer
	Mr J R Pentland	Head of Finance
	Mrs T Nightingale	Head of Fundraising
	Mrs J Ebbrell	Head of Clinical Services
	Dr E Longford	Medical Director

Chairman's Preface

Wirral Hospice is a provider of high quality palliative care, delivered in a personalised context to patients and those close to them. We aim to build on our strengths ensuring that we remain responsive and relevant to the changing needs of the people we serve and those who commission us. We will pursue this aim not only maintaining the highest standards of medical and clinical care but also with constant vigilance in the efficient and effective use of our resources.

In our last annual report we highlighted the challenges which the hospice faced arising from the changing demands on the services we provide against the financial pressures which are increasingly present in the health sector. In the year covered by this report, and the year we are now in, these same pressures are present and, for the medium term at least, we have come to regard them as a constant reality.

We recognise that the days of receiving more in grant funding, even in just matching inflation, for delivering the same are very much in the past. That does not mean there is no possibility of further statutory funding but that if it is to be gained it must be linked to some form of service development and that development must be in line with the commissioning groups priorities. We have therefore come to regard the current environment as an opportunity and not a threat. A situation in which we can promote both the need for the nature of the care we give as well as our expertise in its delivery.

In the 17/18 year we commenced the process of developing strategies initially prioritising the financial situation which we addressed through further cost control on variable expenditure and a reduction in core costs through a restructuring of the administrative support section. Our voluntary income remains heavily dependent on legacy income, which can be highly variable, and we continue to explore further income generating opportunities particularly through support from commercial organisations. Despite staffing challenges in our Fundraising section we have increased net revenue from their activities and are concentrating employed staff effort on higher yield initiatives. As a result we have moved from a position of a deficit revenue performance over recent years to a small surplus and being able to set a balanced budget for the current year.

Whilst we have not had any inspections from regulatory bodies in the year our KPI's for medical and clinical performance remain high and the high praise in anecdotal evidence from patient and family feedback is reflective of the professionalism and sensitivity with which care is delivered. A decrease in the mean length of stay for in-patients coupled with an increased number of discharges demonstrates the success of the more interventional emphasis in this service. The significant increase in the percentage attendance for Day Therapy reflects the further development of this service as does the take up of the interventional pain service which is approaching its capacity limit.

Elsewhere in this report you will find further references to plans for greater partnership working with other organisations as well as the development of our own staff and volunteers in addition to making better use of support systems particularly those which are I.T. based. This has been combined with a shift in reporting systems for governance oversight having a more evidential emphasis. Dealing with the need for change and managing its implementation can be unsettling but the high level of commitment from our staff and volunteers who continue to prioritise the needs of our patients and their families is ever present.

In the plans for future period's section you will find a clear structure of priorities with specific aims and whilst we can look back on our 17/18 performance with some satisfaction and pride we are not complacent and are realistic about the challenges we will continue to face. However, we are confident that with the skills, and expertise at our disposal, the strength of the reputation which we have built up over many years and the dedication of our people we are well placed not just to survive but also to grow.

Mr Steve Schroeder: Chairman

Objectives and Performance Monitoring

The Aims and Objectives of the Charity

As a provider of Specialist Palliative Care, our responsibility is to patients, families and carers, who are supported by our multi-professional team working in close liaison with all healthcare professionals including primary, secondary and community care. Care is personalised according to the individual's and family's needs.

How Our Activities Deliver Public Benefit

Our sole aim is the provision of Specialist Palliative Care, without charge, supporting patients and their families.

Our Strategic Objectives for 2017/18:

To enhance our service provision for patients and their families, in conjunction with the Wirral and West Cheshire Clinical Commissioners and our health and social care colleagues.

To further develop governance and oversight across all hospice activities in accordance with Charity Commission Guidance and ensure compliance with relevant legislation and codes of practice.

To deliver services through collaboration in the context of an integrated service model for Palliative and End of Life Care services in Wirral, giving particular reference to:

- The NHS Ambitions for Palliative and End of Life Care 2015-20
- The 5 year Forward View for the sector,
- Consideration of alternative models of Hospice care and outreach care including integration with other providers,
- Continuing to develop a model of family support around young adults transitioning from a children's hospice,
- Being part of Heathy Wirral, connecting for health,
- Developing staff well-being and support.

To exercise robust financial management in meeting the challenge of maintaining short and long term viability through:

- Monitoring of hospice expenditure and exercise of cost control,
- Development of opportunities for increased and diversified income generation, optimising use of resources to achieve balanced budget performance,
- Continuing to review and update financial systems and processes for maximum efficiency.

To develop our Workforce through:

- Further development and implementation of a workforce strategy to include maximising volunteer expertise and skills,
- Development of career pathways introducing apprenticeships,
- Delivery of e-learning to enhance mandatory and elective training,
- Develop the extended remit of staff support software to optimise access to supporting data.

To develop our operational support of hospice activity with particular emphasis on:

- Optimising the use of IT resources to support service delivery, including implementation of collaborative systems such as Healthy Wirral providing timely access to relevant data to support care delivery,
- Optimise internal & external audits and reviews to highlight areas for improvement and development to enhance the patient and family experience.

Monitoring Achievement of the Charity's Objectives

Key Performance Indicator (KPIs) reports are compiled on a monthly basis to cover:

- Quality / Safety / Patient Experience
- Performance (Clinical, Financial, Fundraising, Organisational)
- Activity levels

The reports are reviewed by the Senior Leadership Team, the board as a whole and subgroups of the board including department managers. In the period covered by this report the board met 10 times and the following subgroups met on 4 occasions per year.

- Clinical Governance
- Financial Governance including Investment
- Organisational Governance
- Fundraising and Marketing Governance

A service user element is incorporated into each board meeting including a patient story, significant events, and patient representative to facilitate discussion and identify opportunities for future learning & development. In addition the Trustees, carry out regular visits to the hospice observing services, speaking with staff and service users.

An Organisational Risk Register is maintained to identify key risks which arise out of the monitoring process and the actions being taken to mitigate them with regular review.

Monitoring by External Bodies

The hospice operates a co-operative policy for visits and statutory inspections by external bodies including:

Care Quality Commission (CQC)

The CQC is the independent regulator of health and social care in England and ensures health and social care services provide people with safe, effective, compassionate, high-quality care. CQC monitors, inspects and regulates services to make sure they meet fundamental standards of quality and safety and they publish their findings/performance ratings to ensure services meet the fundamental standards that people have a right to expect whenever they receive care at Wirral Hospice.

Wirral Hospice is registered with the CQC to provide:

- Diagnostic and Screening Procedures
- Treatment of Disease, Disorder or Injury

The Registered Manager, in conjunction with CQC Steering Group members, provides a summary of policies and processes across the hospice to demonstrate how ongoing compliance is maintained to meet the fundamental standards required by the CQC which provides assurance to the Board of Trustees through the quarterly Governance Groups.

External regulators CQC last inspected in March 2016. The inspection found the Hospice to be fully compliant with the fundamental standards with no requirement for enforcement action in any area. The hospice was rated as 'good overall' and has remained registered with the CQC without conditions. Their report was published 13 May 2016 and can be found on the CQC and Wirral Hospice websites.

Healthwatch Wirral

Healthwatch is the national consumer champion in health and care. They have significant statutory powers to ensure the voice of the consumer is strengthened and heard by those who commission, deliver and regulate health and care services. Healthwatch has local teams who work to support the voice of patients and public in your area. In Wirral, this is called Healthwatch Wirral.

Our Achievements in the Year

Over the course of the year the hospice has achieved its overarching objectives of remaining fully compliant with all statutory requirements, maintaining and developing the high quality of the services we deliver for patients and their families.

This performance is evidenced by a PLACE Assessment (Patient Led Assessment of the Care Environment) which took place at the hospice in May 2018, resulting in a score of 99.5% for cleanliness and mean score of 92% for Food/Building Condition/Appearance/Maintenance and Privacy/Dignity/Wellbeing highlighting the excellent service provided, exceeding the national scores for other healthcare establishments.

Our priorities for the year were:

- 1 Further developing high quality services for the communities we serve,
- 2 Maintaining stable financial viability,
- 3 Working in partnership to achieve our vision,
- 4 Ensuring that Wirral Hospice is an effective, efficient and thriving organisation.

With the aims of:

- Optimising the utilisation of Inpatient Services,
- Developing Wellbeing and Outpatient services,
- Securing sustainable income,
- Increasing knowledge and skills in palliative and End of Life Care across professional groups,
- Promoting Wirral Hospice as a community hub.

Over the course of the year in keeping with our priorities:

In pursuit of developing high quality services for the communities we serve, we have:

- Reviewed day services to develop and implement our new well-being approach providing greater access to support for more patients and families through an empowering and rehabilitative model of delivery. Patients can now access the service on a sessional or day basis having a bespoke programme that meets their individual needs focused around what is important to them.
- Expanded outpatient services accommodating long term conditions such as respiratory disease helping to support more people living with long term conditions. Supporting their health optimisation.
- Collaborated with healthcare organisations to develop the Wirral Care Record through the Healthy Wirral programme, connecting to provide timely access to data to enhance patient care at point of delivery.
- Worked with children's hospice to develop transition pathway for young adults.

In pursuit of maintaining stable financial viability

- Developed and introduced robust financial processes to control expenditure achieving an operating surplus at the year end and a balanced budget for the forthcoming year.
- Reviewed and restructured our workforce to ensure the right resource is in the right place to support service delivery such as the introduction of Information Technology Officer role to support the expansion and use of IT and the introduction of Marketing Officer role to enhance community awareness of the hospice and increase income generation opportunities.
- Developed new ways of working to optimise use of resources.
- Expanded our retail activity with the opening of an additional shop which is delivering a good return on investment

In pursuit of working in partnership to achieve our vision we have:

- Worked closely with IT services across health & care to facilitate Healthy Wirral, to achieve data sharing to enhance patient care.
- Linked with children's hospice in support of young adults.
- Introduced a policy of all departments linking with their relevant peers locally and further afield sharing best practice in clinical, HR, Finance and Education.
- Worked with local businesses gaining valuable volunteer support to help maintain, deliver, plan and expand our offer.
- Continued to work closely with acute and community trusts to facilitate patient flow and provide access to timely support for patients and their families.
- Delivered education to nursing & medical students, health & care professionals and local schools helping develop knowledge and skills across the locality.

In pursuit of ensuring that Wirral Hospice is an effective, efficient and thriving organization, we have:

- Introduced e-learning to support delivery of mandatory training for staff and volunteers.
- Embarked upon an senior leadership team (SLT) development programme.
- Further expanded volunteer roles across organisation in support of service delivery.
- Expanded the use of our staff management systems to provide timely access to staff data and working patterns.
- Reviewed performance management approach to ensure relevant shared visions, supporting staff development of knowledge and skills, complementing skills analysis and development of competency framework.

Our People

Our people are at the heart of the service we seek to provide, maintain and develop. We aspire to a workforce with relevant palliative care knowledge, skills, experience and qualifications continuously developing to ensure this is achieved through the delivery of excellent evidence based care. The development of a professionally skilled, staff team working in partnership with our committed volunteers underpins all our healthcare activity.

This could not be achieved without the significant support we receive from both individuals and organisations from within our community who contribute to the promotion of the hospice and the raising of funds to sustain its services.

Our Palliative Medicine Consultants work as 'one team' closely aligned across the three areas of acute hospital, hospice and community. Linking closely with the Integrated Specialist Palliative Care Team within the community; ensuring best practice and continuity of care for patients and their families.

Regular events such as volunteer 'thank you' & long service awards and Hospice Heroes night ensure that our supporters receive the recognition they so richly deserve. During the year over 500 volunteers helped us across every area of our service, without which we could not provide the care and support for our patients, their families and their carers.

Ensuring our senior leadership team and trustees remain up to date is important. Annual employment and charity law updates are provided by the hospice solicitors and Hospice UK, to inform of legislative and policy changes required ensuring both knowledge and compliance.

Our Hospice Ambassadors – public figures who support the hospice by using their influence and contacts for the benefit of the organisation continue to take an active role in developing and promoting fundraising activity to raise funds and heighten awareness of the work of the hospice.

Communication is key to ensuring that every member of our team feels informed, valued and part of the team as a whole, upholding our vision and values in all that they do. This is achieved through a shared vision, annual delivery plan developed with teams with regular progress reviews. Monthly 'Team Brief', quarterly employee forums and increased use of social media with regular get togethers, sharing information and news updates.

This year provided the opportunity for our trustees and senior leadership team to take timeout for a strategy day to explore ideas for our future vision thereby emphasising the principle of co-operative team working not just in external relationships. From this exploration the foundation for our future strategy has begun to be developed ensuring that we continue to be able to meet the ever changing needs of Wirral residents. It also provided the platform for board meetings attended by trustees and SLT members.

Our Charitable Activities

Inpatient Service:

Wirral Hospice has 16 Inpatient beds, of which 7 are single rooms, with 3 three-bedded bays. The unit has a large bright patient and visitor lounge with dining facilities, a relatives' room with shower room for overnight stays and easy access to patio areas and gardens. Patients and their families are also able to make use of the facilities in the Hospice Hub café, providing an informal meeting place away from the ward environment.

Patients are admitted for short term interventions following assessment by the Multi-Professional Team whose needs cannot be met by Specialist Palliative Care providers elsewhere. Patients are admitted under the care of the Palliative Care Consultant.

Multi-Professional Team Meetings are held once a week. All patients, including family issues/concerns when appropriate, are discussed and a management plan devised with patients to address their complex symptoms and needs. In addition, patients are reviewed daily by a doctor and twice weekly by a Consultant.

Discharge planning commences at the point of (or even prior to) admission, and discharge occurs once the patient's identified needs of what is important to them and their specialist palliative care needs have been addressed. The average length of stay is two-three weeks.

Inpatients (16 beds)	2016/17	2017/18
Total number of admissions	224	232
% Occupancy	92%	87%
Mean Length of stay (Days)	23	22
Total number of discharges	93 (42%)	113 (49%)

2017/18 saw an increase in admissions and an increase in discharges demonstrating the interventional approach of the service and the increased activity. Length of stay remained consistent with previous year reflecting the complexity of our patients and at times the lack of care packages for safe discharge.

Day Therapy/Wellbeing Service:

Day Therapy/Wellbeing services are available four days per week in a purpose-built unit registered with CQC for 12 patients per day, provided by a Specialist Multi-Professional Team, working alongside patients and their families to enable them to live well with a life-limiting disease.

Patients attend Day Therapy/Wellbeing for a maximum of 8 weekly sessions during which they may access Aromatherapy, Creative Therapy, Occupational Therapy, Physiotherapy, Relaxation, exercise classes, breathlessness, anxiety and fatigue management, counselling, support with advance care planning and benefits advice.

Day Therapy (48 places per week)	2016/17	2017/18
Total number of available places	2508	2448
Total number of allocated places	2552	2491
% attendance of available places	64%	70%
Mean length of stay (sessions)	8	9

Whilst the number of available places dropped in year due to essential maintenance work being carried out causing the unit to be closed for a number of days, the increased percentage attendance demonstrates the success of developments in the provision of this service.

Outpatient Service:

Outpatient clinics are provided by a team of Consultants in Palliative Medicine, Bereavement Counsellors, and an Aromatherapy service. Clinics are provided for patients under the care of their General Practitioner and the Community Team requiring medical access to the wider Multi-Professional Specialist Palliative Care Service.

Outpatients	2016/17	2017/18
Total number of referrals	600	599
New appointments	433	355

Differentiation between referrals and take-up are influenced by numerous factors – some patients don't wish to access this service whilst others are too ill to attend. The number of patients seen is dependent upon the number of appointments available. The number of referrals remained constant although the number of new appointments dropped in year due to the number of follow up appointments and medical staffing.

Hospice at Home Service:

The Hospice at Home team provides quality end of life care to patients wishing to remain at home, providing practical and emotional support to patients, families and carers in a variety of ways.

Hospice at Home	2016/17	2017/18
Total number of referrals	405	365
Hospice at day	2,336	1908
Hospice at night	489	573
Total number of deaths	239	241
Total number of deaths at home	215 (90%)	202 (84%)

The number of referrals has decreased by 10% with the shift to more night visits continuing. The service remains fully funded with activity matching available funding.

Interventional Pain Service:

The Interventional Pain Service is an Outpatient Service for patients with cancer-related pain who are not responding to conventional treatment and patients with life-limiting illnesses who are suffering from chronic pain. Patients are assessed by the Consultant either as an Outpatient or Inpatient at Wirral Hospice. A referral can be made by Consultants or General Practitioners.

Interventional Pain Service	2016/17	2017/18
Total number of referrals	100	120
New appointments	68	113

This service has seen a 20% increase in referrals with new appointments increasing 66% coming close to full capacity. This remains a fully funded service which limits the capacity available.

Plans for Future Periods

Our plans for future periods are set in the context of five overarching objectives for the delivery of our activities under the headings of being “Caring”, “Responsive”, “Effective”, “Well-Led” and “Safe”.

In achieving these objectives we have the same four defined priorities as in the period covered by this report:

1. Developing high quality services for the communities we serve,
2. Ensuring stable financial viability,
3. Working in partnership to achieve our vision of integrated care for the people of Wirral,
4. Ensuring that Wirral Hospice is an effective, efficient and thriving organization.

In pursuing these priorities we will focus on the aims of:

- Collaborating to enhance the effectiveness and accessibility of our services,
- Promoting a personalised well-being approach to palliative care with patient reported outcome measures,
- Increasing knowledge and skills in Palliative and End of Life Care across professional groups,
- Securing sustainable income,
- Promoting Wirral Hospice St John’s as a community hub, leading specialist palliative care,
- Develop scope and capacity within our psychological support service,
- Develop career pathways across Wirral Hospice including apprenticeships.

Principal Risks and Uncertainties

The successful programme of cost control has facilitated recruitment to roles that will support the hospice going forwards with the ability to operate within planned budget for 18/19 year. Short and long term financial viability remains a significant risk due to the limits on NHS funding, an increasingly competitive local market for charitable funding and the impact on returns from our investments arising out of instability in the UK financial market.

The recent NHS Pay award significantly impacts on our ability to recruit and retain clinical staff due to increased competition and the need to ensure salaries are competitive.

Uncertainty continues regarding the Clatterbridge site surrounding the hospice location, with initial phase 1 land transfer completed from NHS owned to Homes England. This could impact on the provision of existing support for our Clinical and Medical services and limit the opportunities for future development.

The hospice operates a policy of pro-actively monitoring risk through an organisational risk register reviewed regularly by Senior Leadership Team and governance committees. Risks scored medium or high risk to the organisation are reviewed by the Board of Trustees with Senior Leadership Team at the quarterly Board Meeting.

We continue to develop and implement actions to mitigate the negative impact which might arise from these risks and uncertainties should they become a reality

Structure, Governance and Management

Governing Document

Wirral Hospice St John's is a company limited by guarantee governed by its Memorandum and Articles of Association. Originally dated 2 September 1980, this was amended via a Special Resolution passed at the Annual General Meeting on 24 November 2014.

It is a registered charity engaged in the relief of illness and suffering by providing inpatient, outpatient, Hospice at home and day care services.

Appointment of Trustees

Trustees retire after a period of three years and can seek re-appointment each year. New Trustees are appointed by the Board when appropriate, ensuring a balance of skills is maintained.

Trustee Induction and Training

The 'Trustee Recruitment and Selection Policy' and 'Ambassadors Recruitment and Selection Policy' were reviewed and updated in October 2018. The policies were updated to enhance the requirements and processes for identifying and recruiting suitably qualified candidates to join our Board of Trustees and Ambassadors in line with current Charity Commission recommendations.

All new trustees undertake a formal induction programme with the Chairman, Chief Executive and members of the Senior Leadership Team in addition to visiting each department to gain an understanding of the hospice's services. Their legal obligations under Charity and Company Law are highlighted to ensure their understanding of the content of the Memorandum and Articles of Association, decision-making and function of the Board, which supports its business plan, and ongoing financial performance. Ambassadors undergo an induction; meeting the Board, Senior Managers and touring the hospice. Trustee and Ambassador Induction Packs are provided, with regular updates and training sessions as appropriate.

Organisational Structure

The Board of Trustees has a maximum of ten members who administer the Charity. The composition of the board reflects the expertise necessary to oversee the range of activity undertaken by the hospice.

The Trustees refer to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future developments. Trustees give their expertise and time on a voluntary basis and without reimbursement.

In addition to exercising governance through full board meetings, subgroups of the board monitor specific areas of activity. The terms of reference of the subgroups are reviewed on an annual basis.

The Chief Executive is appointed by the Chairman and Board of Trustees and is responsible for the day to day management of the charity with the support of the senior leadership team.

To facilitate effective operations, the Chief Executive has delegated authority in accordance with the delegated powers documents.

Related Parties

The Company's wholly-owned subsidiary, Wirral Hospice St John's Enterprises Limited, is engaged in the sale of goods for the benefit of the charity.

Risk Management

The Hospice has a Risk Management Policy which is endorsed by the Board of Trustees and ensures that:-

- Risk management is integral to daily activity and in operation throughout the organisation
- All employees benefit from regular professional development, in addition to those recommended by their own professional body
- An Organisational Risk Register is updated monthly, stratifying risk according to impact and likelihood across all areas of the hospice
- The Serious Untoward Incident Policy is regularly updated and reviewed 3 yearly or when legislation/guidance changes. Staff awareness is maintained through regular in-house meetings and through the guidance of their own professional bodies
- Management accounts are produced monthly, with all variances to budget investigated and appropriate corrective actions implemented
- Investment Policy – a bi-annual review is undertaken by the Investment Group and subsequently endorsed by the Financial Governance Committee
- Reserves Policy – an annual review is undertaken by the Treasurer and subsequently endorsed by the Board of Trustees.

Serious incidents are considered at relevant governance committees and reported to the Charity Commission/CQC/Health & Safety Executive as appropriate.

There were no serious untoward incidents recorded during 2017/18.

These policies and procedures safeguard and ensure propriety. The Board of Trustees have overall responsibility for risk management and receive quarterly reports in addition to Annual Delivery Plan & Key Performance Indicators progress report.

Fundraising

Members of Wirral Hospice St John's fundraising department organise fundraising events and co-ordinate the activities of our supporters both in the hospice and in the wider community. We do not use professional fundraisers or involve commercial participators. There have been no complaints about fundraising activity this year.

We ensure our staff and volunteers comply with fundraising and other regulatory bodies' legislation and best practice, including The Fundraising Regulator, Institute of Fundraising, Charity Commission and the Gambling Commission

Our staff and volunteers receive training and attend courses, and have regular support and supervision meetings with line managers.

All direct marketing is undertaken by the fundraising department to ensure that it is not unreasonably intrusive or persistent. All marketing material contains clear instructions on how a person can be removed from mailing lists.

FINANCIAL REVIEW

Income

Total income has increased by approximately £150,000 this year, principally as a result of an increase in legacies. Revenue grants covered 48% (2017: 47%) of our expenditure (excluding fundraising costs).

The turnover of the trading subsidiary increased to approximately £80,000. Details of the subsidiary's performance, which we consider to be acceptable, are set out in note 6 of the financial statements.

Expenditure

67% (2017: 64%) of costs relate to salaries, the total salary bill for the year being approximately £3,500,000. Of these costs, approximately 72% relate to employees who are directly involved in clinical care.

Fundraising costs include the costs of running our lottery (£301,000) and the charity shops (£382,000), which generated income of £667,000 and £534,000 respectively.

In summary, another challenging year and a small operating surplus of £75,000 was generated in 2017/2018, before losses on investments of £25,000. The Hospice's reliance on voluntary income, and particularly legacies, continues.

Balance Sheet

Our principal assets are our tangible fixed assets, our investment portfolios of quoted investments and our bank balances. The bulk of our fixed assets consist of the Hospice premises.

Approximately £150,000 was spent on upgrading our fixed assets during the year.

Liquid reserves rose by approximately £180,000 during the year, as a result of the factors noted above.

The Trustees continue to monitor future activities and costs with caution and are actively considering a wide range of options.

Reserves Policy

Reserves are required because the ongoing revenue expenditure of the hospice exceeds the minimum anticipated income on an annual basis.

Due to the fundamental uncertainties surrounding the hospice's income and the ever-increasing cost of its service commitment, the Trustees believe that the reserves should be equivalent to between 6 and 24 months of anticipated net expenditure.

Currently reserves amount to 13.1 (2017: 12.7) months of anticipated expenditure. Note that reserves held are primarily in the form of listed investments which provide a further source of income to the hospice in the year.

The Trustees annually monitor and review the Reserves Policy.

Investment Policy

The overall investment policy is for a balanced return with orientation towards capital growth, taking a long-term view.

Investment can be made in UK Government stocks (no restrictions), loan stocks of UK blue chip equities, and in UK unit trusts investing in gilts, corporate bond funds rated BBB or higher and cash. If the outlook for fixed interest investments at any time appears unfavorable, this allocation can be held in cash.

Individual equity purchases are restricted to shares that, at the time of purchase, are constituent elements of the FTSE 100 and FTSE 250 Indices. Shares held in a company that is subsequently relegated from these indices need not automatically result in a disposal of that holding.

Smaller company shares are to be acquired via unit trusts and/or investment trusts to a maximum of 10% of the total equity portfolio.

No more than 25% of the total equity allocation is to be invested in non-UK stocks and only through investment trusts and unit trusts, any exposure to emerging markets to be restricted to a maximum of 10% of the total equity portfolio.

There is a prohibition on the purchase of tobacco shares and investment in hedge funds, together with a general policy not to hold more than 5% of the equity allocation in any one holding.

The Board has given authority for the investments to be managed by the brokers on a discretionary basis.

Investment Performance 2017/18

Fixed Interest Investments

During the year to 31 March 2018, the fixed interest stock returned 0.12% compared to a return of 0.46% for the FTA UK Government All Share Index.

Equity Investments

During the year to 31 March 2018, the equity fund returned 2.57% compared to a return of 1.25% for the All Share Index.

These are total return performance figures on a time weighted basis.
(Source: Investec Wealth & Investment)

Trustees' responsibilities for the financial statements

Company law requires the Trustees, who are also directors of the company, to prepare financial statements for each financial period, which give a true and fair view of the group's financial activities during the period and of the financial position of the group and the charity at the end of the period. In preparing those financial statements, the Trustees should follow best practice and:

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

In so far as the Trustees are aware:

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

The Trustees are responsible for keeping accounting records, which disclose with reasonable accuracy the financial position of the group and charitable company and which enable them to ascertain its financial position and to ensure that the financial statements comply with applicable law. They are also responsible for safeguarding the assets of the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees 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. There are no private or incidental benefits to the Trustees.

Auditors

BWM who were appointed during the year, offer themselves for reappointment as auditors of the company in accordance with Section 485 of the Companies Act 2006.

BY ORDER OF THE TRUSTEES

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J R Pentland
Company Secretary
26th November 2018

WIRRAL HOSPICE, ST JOHN'S
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF WIRRAL HOSPICE ST JOHN'S

Opinion

We have audited the accounts of Wirral Hospice St John's (the "Charity") and its subsidiary (the "Group") for the year ended 31 March 2018 which comprise the Consolidated Statement of Financial Activities, the Consolidated and parent charitable company Balance Sheets, the Consolidated Statement of Cash Flows and the notes to the accounts, 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's and Charity's affairs as at 31 March 2018 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the accounts section of our report. We are independent of the Group and Charity in accordance with the ethical requirements that are relevant to our audit of the accounts 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 accounts any identified material uncertainties that may cast significant doubt about the Group's or 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 accounts are authorised for issue.

Other information

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

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

We have nothing to report in this regard.

WIRRAL HOSPICE, ST JOHN'S
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF WIRRAL HOSPICE ST JOHN'S

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report, which includes the Directors' Report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report included within the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Charity and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report included within the Trustees' Report.

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

- adequate accounting records have not been kept by the charity, or returns adequate for our audit have not been received from branches not visited by us; or
- the charity accounts are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees, who are also the directors of the Charity for the purpose of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the Group's and the Charity'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 the charity or to cease operations, or have no realistic alternative but to do so.

WIRRAL HOSPICE, ST JOHN'S
COMPANY LIMITED BY GUARANTEE
INDEPENDENT AUDITORS REPORT

TO THE MEMBERS OF WIRRAL HOSPICE ST JOHN'S

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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

Lesley Malkin BA FCA (Senior Statutory Auditor)
for and on behalf of BWM

Chartered Accountants
Statutory Auditor

.....
26th November 2018

Castle Chambers
43 Castle Street
Liverpool
L2 9SH

CHARITY INFORMATION

Wirral Hospice St John's is a private company limited by guarantee incorporated in England & Wales. The registered office is Mount Road, Higher Bebington, Wirral CH63 6JE

BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2016) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

The principal accounting policies of the group are set out below.

BASIS OF CONSOLIDATION

The group financial statements consolidate those of the company and of its subsidiary under-taking (see note 8), drawn up to 31 March 2018. Profits or losses on intra group transactions are eliminated in full.

No specific SOFA or Income & Expenditure account has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and under the SORP.

GOING CONCERN

At the time of approving the accounts, the trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

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 unrestricted funds set aside by the trustees out of unrestricted general funds. The Development fund is a designated fund and represents a provision for future capital expenditure. Where the directors consider it appropriate, having regard to the intended use of the money, funds are transferred to the Development fund from the General fund.

Restricted funds – these are funds which can only be used for particular restricted purposes within the objects of the charity. The balance in the Restricted fund includes donations received specifically for the development of the new Hospice, less revenue costs and depreciation to date, and is represented on the balance sheet as a proportion of the net book amount of tangible fixed assets.

INCOME

Income from donations and grants are accounted for in the accounting year in which they are receivable, except as follows:

- When donors specify that donations and grants given must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions, which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in incoming resources until the pre-conditions have been met.

WIRRAL HOSPICE ST JOHN'S

WIRRAL HOSPICE, ST JOHN'S

PRINCIPAL ACCOUNTING POLICIES

For the year ended 31 March 2018

LEGACIES

Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income derived from trading activities is accounted for in the accounting year in which it is received. Lottery income is accounted for in respect of those weekly draws which have taken place during the year.

INVESTMENTS

Fixed Asset Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not take out call or put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

A subsidiary is an entity controlled by the Charity. Control is the power to govern the finances and operating policies of the entity so as to obtain benefits from its activities.

Realised Gains and Losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash in hand, deposits held at call with banks, other short term liquid investments with original maturities of three months or less and bank overdrafts.

OPERATING LEASES

Rentals payable under operating leases are charged to the Statement of Financial Activities as incurred over the term of the lease.

TANGIBLE FIXED ASSETS AND DEPRECIATION

Individual fixed assets are capitalised at cost where they are identified as being for continuing use in the charity's activities. Depreciation is calculated to write down the cost of all tangible fixed assets by equal annual instalments on a straight-line basis, as follows:

Hospice premises	50 years
Charity shops	50 years
Fund-raising office/education centre	
- Equipment, fixtures and fittings	7 years
- Building	50 years
Medical and office equipment	7 years
Computer equipment	4 years

Impairment reviews are carried out on any assets where an indication is given that the recoverable amount is below the net book value. No assets have been subject to an impairment review.

STOCK

Stock is stated at the lower of cost and net realisable value. Donated items of stock are not valued on receipt as this would be impractical.

CONTRIBUTIONS TO PENSION SCHEMES

Defined Contribution Schemes

The group contributes towards the NHS pension scheme and the Group Flexible Retirement Plan for employees who are members of either scheme. The NHS pension scheme is a defined benefit scheme but the group is unable to identify its share of the underlying assets and liabilities.

The pension costs charged against profits represent the amount of contributions payable to the schemes in respect of the accounting period.

RESOURCES EXPENDED

Expenditure, which is charged on an accruals basis, is allocated between:

- expenditure incurred directly to the fulfilment of the charity's objectives (charitable activities);
- expenditure incurred directly in the effort to raise voluntary contributions (cost of generating funds);
and
- expenditure incurred on governance costs.

Items of expenditure involving more than one cost category are apportioned on the basis of staff time incurred in respect of each category.

GOVERNANCE COSTS

Governance costs include expenditure on administration of the charity and compliance with constitutional and statutory requirements. Governance costs are included within support costs in Note 3 to the Accounts.

VAT

Hospice Income and Expenditure is recorded gross, with the net recoverable VAT element included within income.

Enterprise Income and Expenditure is recorded net of VAT.

FINANCIAL INSTRUMENTS

The group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experiences and other factors that are considered to be relevant. Actual results may differ from these estimates.

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT

For the year ended 31 March 2018

		Year ended 31.03.2018	Year ended 31.03.2018	Year ended 31.03.2018	Year ended 31.03.2017
	Note	Unrestricted Funds	Restricted Funds	Total Funds	Total Funds
		£	£	£	£
Income					
Income from generated funds:					
Donations and Legacies	6	1,106,669	-	1,106,669	906,041
Other Trading Activities	6	1,803,871	-	1,803,871	1,924,907
Investments	6	137,295	-	137,295	123,945
		<u>3,047,835</u>	<u>-</u>	<u>3,047,835</u>	<u>2,954,893</u>
Income from charitable activities	6	2,276,942	-	2,276,942	2,222,712
Total Income		<u>5,324,777</u>	<u>-</u>	<u>5,324,777</u>	<u>5,177,605</u>
Expenditure					
Costs of raising funds	2(a)	27,309	-	27,309	27,038
Fundraising costs	2(b)	1,034,935	-	1,034,935	1,329,825
Investment management costs		24,381	-	24,381	30,952
Charitable activities	1	4,102,072	55,120	4,157,192	4,219,753
Taxation	5	1,402	-	1,402	0
Total expenditure		<u>5,190,099</u>	<u>55,120</u>	<u>5,245,219</u>	<u>5,607,568</u>
Net Income		134,678	(55,120)	79,558	(429,963)
Gains / (Losses) on investments	8	(25,344)	-	(25,344)	490,583
Net movement in funds	13	109,334	(55,120)	54,214	60,620
Reconciliation of Funds					
Total funds brought forward		<u>8,391,497</u>	<u>2,189,535</u>	<u>10,581,032</u>	<u>10,520,412</u>
Total funds carried forward		<u>8,500,831</u>	<u>2,134,415</u>	<u>10,635,246</u>	<u>10,581,032</u>

The Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes at pages 31 to 44 form part of these accounts.

WIRRAL HOSPICE, ST JOHN'S

CONSOLIDATED BALANCE SHEET

As at 31 March 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	7		5,245,385		5,371,113
Investments	8		<u>4,458,802</u>		<u>4,461,496</u>
			9,704,187		9,832,609
Current assets					
Stocks	9	7,789		8,191	
Debtors	10	1,284,637		1,201,352	
Cash at bank and in hand	11	<u>1,107,899</u>		<u>929,602</u>	
		2,400,325		2,139,145	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(1,469,266)</u>		<u>(1,390,722)</u>	
Net current assets			931,059		748,423
Net assets			10,635,246		10,581,032
The funds of the charity					
Restricted income funds	13		2,134,415		2,189,535
Unrestricted income funds	13				
General		5,239,861		5,084,919	
Fixed Assets		3,110,970		3,181,578	
Development		<u>150,000</u>		<u>125,000</u>	
Total unrestricted funds			8,500,831		8,391,497
Total charity funds			10,635,246		10,581,032

The notes at pages 31 to 44 form part of these accounts.

The directors approved the financial statements on 26th November 2018

S Schroeder

Director

G M Ridgway

Director

Company Registration Number: 1518364

WIRRAL HOSPICE, ST JOHN'S

BALANCE SHEET

As at 31 March 2018

	Note	2018 £	2018 £	2017 £	2017 £
Fixed assets					
Tangible assets	7		5,245,385		5,371,113
Investments	8		<u>4,458,804</u>		<u>4,461,498</u>
			9,704,189		9,832,611
Current assets					
Debtors	10	1,346,445		1,269,997	
Cash at bank and in hand	11	<u>1,030,946</u>		<u>862,618</u>	
		2,377,391		2,132,615	
Liabilities					
Creditors: amounts falling due within one year	12	<u>(1,466,768)</u>		<u>(1,384,194)</u>	
Net current assets			<u>910,623</u>		<u>748,421</u>
Net assets			<u><u>10,614,812</u></u>		<u><u>10,581,032</u></u>
The funds of the charity					
Restricted income funds	13		2,134,415		2,189,535
Unrestricted income funds	13				
General		5,219,427		5,084,919	
Fixed Assets		3,110,970		3,181,578	
Development		<u>150,000</u>		<u>125,000</u>	
Total unrestricted funds			<u>8,480,397</u>		<u>8,391,497</u>
Total charity funds			<u><u>10,614,812</u></u>		<u><u>10,581,032</u></u>

The notes at pages 31 to 44 form part of these accounts.

The directors approved the financial statements on 26th November 2018

S Schroeder

Director

G M Ridgway

Director

Company Registration Number: 1518364

WIRRAL HOSPICE, ST JOHN'S

CONSOLIDATED STATEMENT OF CASH FLOWS

As at 31 March 2018

	2018	2017
	£	£
Cash flows from operating activities		
Net Income / (Expenditure) for the financial year (before investment revaluations)	209,770	(333,206)
Adjustments for:		
Depreciation of tangible assets	281,822	273,929
Profit on disposal of investments	(130,212)	(96,757)
(Increase)/decrease in trade and other debtors	(83,285)	209,833
Decrease/(increase) in stocks	402	1,535
Increase in creditors	78,544	35,329
Net cash provided by operating activities	357,041	90,663
Cash flows from investing activities		
Proceeds from sale of investments	536,130	409,932
Purchases of tangible assets	(156,094)	(63,976)
Purchases of investments	(575,524)	(344,338)
Decrease in cash held by stockbrokers	16,744	26,527
Net cash (used in) / provided by investing activities	(178,744)	28,145
Net increase in cash and cash equivalents	178,297	118,808
Cash and cash equivalents at the beginning of year	929,602	810,794
Cash and cash equivalents at the end of the year	1,107,899	929,602

NOTES TO THE ACCOUNTS

As at 31 March 2018

1. CHARITABLE ACTIVITIES

	2018	2017
	£	£
Salaries	2,538,822	2,663,154
Depreciation	253,597	245,748
Medical supplies	258,792	265,733
Food	62,404	70,616
Heat and lighting	79,094	61,087
Repairs and renewals	157,855	122,626
Cleaning	33,460	32,702
Other	136,390	106,314
Support costs (note 3)	636,778	651,773
	<u>4,157,192</u>	<u>4,219,753</u>

2. COST OF RAISING FUNDS

	2018	2017
	£	£
(a) Costs of generating voluntary income – salaries	<u>27,309</u>	<u>27,038</u>
(b) Fundraising costs :		
Salaries	166,709	154,942
Depreciation	28,225	28,180
Charity shop costs (including salaries £186,962)	382,334	316,610
Purchase of goods for resale	36,921	33,405
Lottery costs (including salaries £95,732)	300,898	263,579
Printing, stationery and advertising	5,815	9,457
Postage and telephone	1,388	5,549
Fundraising expenditure	106,522	459,655
Other	6,123	58,448
	<u>1,034,935</u>	<u>1,329,825</u>

3. SUPPORT COSTS

	2018	2017
	£	£
Salaries	492,195	519,490
Printing, stationery and advertising	40,422	42,536
Postage and telephone	8,607	11,319
Accountancy and payroll charges	17,912	17,105
Insurance	33,402	27,274
Governance Costs (Including salaries £8,212)	44,240	34,049
	<u>636,778</u>	<u>651,773</u>

Included in Accountancy and Payroll Charges above is an amount of £8,750 (2017: £9,677) payable to the company's auditor for the audit of its financial statements.

As at 31 March 2018

4. DIRECTORS AND EMPLOYEES

Staff costs during the year were as follows

	2018	2017
	£	£
Wages and salaries	3,079,436	3,151,674
Social security costs	229,968	234,717
Other pension costs	206,537	227,939
	<u>3,515,941</u>	<u>3,614,330</u>

Average number of employees

186	<u>185</u>
------------	------------

The analysis of employees by category is as follows:

	2018	2017
	Number	Number
Direct charitable	128	131
Fund-raising and publicity	33	30
Management and administration	15	14
Directors	10	10

The number of employees whose emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2018	2017
	Number	Number
£60,000 - £70,000	2	1
£80,001 - £90,000	0	1

One employee earning over £60,000 participated in the Standard Life defined contribution scheme.

One employee earning over £60,000 participated in the NHS defined benefit pension scheme.

No employee earned more than £70,000 in the year.

The charity trustees were not paid or received any other benefits from employment with the charity or its subsidiary in the year (2017: £nil) neither were they reimbursed expenses during the year (2017: £nil). No charity trustee received payment for professional or other services supplied to the charity (2017: £nil).

The key management personnel of the parent charity, Wirral Hospice St John's, comprise the Trustees, the Chief Executive Officer, Medical Director, Operations Director, Head of Clinical Services, Head of Finance and Head of Fundraising. The total employee benefits of the key management personnel employed by the Charity were £365,404 (2017: £374,968).

The Medical Director is an employee of Wirral University Teaching Hospital NHS Foundation Trust.

WIRRAL HOSPICE, ST JOHN'S

NOTES TO THE ACCOUNTS

As at 31 March 2018

The Charity has arrangements with a number of staff who are not paid through the company payroll, but through a recharging agreement with third parties. The arrangements are in place to ensure continuity of service and protection of benefits for those staff whose careers are within the Health Service. The total amount paid under such agreements in 2018 was £204,591 (2017: £185,045). The posts and third parties involved are as follows:

Consultants and Doctors - Wirral University Teaching Hospital NHS Foundation Trust
Psychologist – Southport & Ormskirk NHS Trust

The Charity benefits greatly from the involvement and enthusiastic support of its many volunteers, details of which are given in our annual report. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

5. TAXATION

The company has been granted charitable status and is thus generally exempt from Corporation Tax. All taxable trading income is received by the company's subsidiary undertaking, which has provided for Corporation Tax as follows:

UK Corporation Tax at 19% £5108 (2017: Nil)

NOTES TO THE ACCOUNTS

As at 31 March 2018

6. NET INCOME FOR THE YEAR

The net income for the year is stated after charging:

	2018	2017
	£	£
Depreciation	281,822	273,929
Auditors remuneration	8,750	9,677

and after crediting:

Donations and Legacies:

Legacies	775,933	610,761
In memoriam	150,388	132,133
General donations	127,878	103,107
Gift Aid	52,470	60,040
	<u>1,106,669</u>	<u>906,041</u>

Investments:

Listed investments	136,920	122,227
Bank deposits	375	1,718
	<u>137,295</u>	<u>123,945</u>

Income from charitable activities:

Grants from NHS Clinical Commissioning Groups	1,679,818	1,670,930
Hospice at Home Income	329,568	329,568
Sundry Income	267,556	222,214
	<u>2,276,942</u>	<u>2,222,712</u>

Other trading activities:

Fund-raising events	524,317	701,928
Charity shop sales	533,679	478,014
Subsidiary's turnover	78,693	69,794
Lottery income	667,182	675,171
	<u>1,803,871</u>	<u>1,924,907</u>

The Charity has one wholly owned trading subsidiary, which is incorporated in England and Wales.

Wirral Hospice St John's Enterprises Limited is engaged in the sale of goods for the benefit of Wirral Hospice, St John's.

Wirral Hospice St John's Enterprises Limited has transferred its prior year profits to the Charity.

WIRRAL HOSPICE, ST JOHN'S

NOTES TO THE ACCOUNTS

As at 31 March 2018

THE SUBSIDIARY'S PROFIT AND LOSS ACCOUNT CAN BE SUMMARISED AS FOLLOWS:

	2018	Restated 2017
	£	£
Turnover	78,693	69,794
Cost of sales	(36,921)	(33,405)
Gross profit	41,772	36,389
Administrative expenses	(16,230)	(17,860)
Taxation	(1,402)	1,685
Profit retained	24,140	20,214

THE SUBSIDIARY'S BALANCE SHEET CAN BE SUMMARISED AS FOLLOWS:

	2018	Restated 2017
	£	£
Current assets	84,742	75,175
Current liabilities	64,306	60,350
	20,436	14,825
Share capital	2	2
Profit and loss account	20,434	14,823
	20,436	14,825

Prior Year Adjustment

The Trustees have reviewed the accounting treatment of gift aid payments and have determined that these payments should only be recognized once there is a commitment as to the amount payable. This is generally at the point the payment is made. Such payments are also to be presented as movements in equity, whereas previously they were treated as an expense. An adjustment has been made to the comparative figures to reflect this. This impact on reserves at 31st March 2017 is £14,823 and at 31st March 2018 is £5,610.

7. TANGIBLE FIXED ASSETS**The Group and the Company**

	Hospice Premises	Computer, medical & office equipment	Charity shops	Motor vehicles	Total
	£	£	£	£	£
Cost					
At 1 April 2017	6,483,895	1,775,056	112,427	86,256	8,457,634
Additions	28,082	84,649	43,363	0	156,094
At 31 March 2018	<u>6,511,977</u>	<u>1,859,705</u>	<u>155,790</u>	<u>86,256</u>	<u>8,613,728</u>
Depreciation					
At 1 April 2017	1,476,704	1,440,820	87,815	81,182	3,086,521
Charge for the year	130,239	139,216	9,829	2,538	281,822
At 31 March 2018	<u>1,606,943</u>	<u>1,580,036</u>	<u>97,644</u>	<u>83,720</u>	<u>3,368,343</u>
Net book amount at 31 March 2018	<u>4,905,034</u>	<u>279,669</u>	<u>58,146</u>	<u>2,536</u>	<u>5,245,385</u>
Net book amount at 31 March 2017	<u>5,007,191</u>	<u>334,236</u>	<u>24,612</u>	<u>5,074</u>	<u>5,371,113</u>

The net book amount at 31 March 2018 in respect of land and buildings comprises freehold property of £4,905,034

The net book amount at 31 March 2018 represents fixed assets used for:

	Hospice Premises	Computer, medical & office equipment	Charity shops	Motor vehicles	Total
	£	£	£	£	£
Charitable activities	4,722,587	237,299	-	-	4,959,886
Fund-raising	182,447	42,370	-	2,536	227,353
Charity shops	-	-	58,146	-	58,146
	<u>4,905,034</u>	<u>279,669</u>	<u>58,146</u>	<u>2,536</u>	<u>5,245,385</u>

The net amount at 31 March 2018 in respect of Charity shops comprises property improvements £42,866 and fixtures and fittings £15,280

NOTES TO THE ACCOUNTS

As at 31 March 2018

8. INVESTMENTS

	The Group		The Company	
	2018	2017	2018	2017
	£	£	£	£
Quoted investments at market value	4,179,619	4,165,569	4,179,619	4,165,569
Cash held by stockbrokers	279,183	295,927	279,183	295,927
Investment in subsidiary undertaking at cost	-	-	2	2
	<u>4,458,802</u>	<u>4,461,496</u>	<u>4,458,804</u>	<u>4,461,498</u>
Quoted investments			£	£
Market value				
At 1 April 2017			4,165,569	3,740,580
Additions at cost			575,524	344,338
Disposal proceeds			(536,130)	(409,932)
Profit on disposals			130,212	96,757
(Decrease)/Increase) in unrealised gain			<u>(155,556)</u>	<u>393,826</u>
At 31 March 2018			<u>4,179,619</u>	<u>4,165,569</u>
Cost			<u>3,140,406</u>	<u>2,970,491</u>

All investments held represent investments listed on the UK stock exchange and have been acquired in accordance with the powers available to the trustees. The portfolio comprises equities £ 3,564,682 and gilts £614,937

The historical cost amount of quoted investments is £3,140,406 (2017: £2,970,491). The total unrealised gain to date amounts to £1,039,213 (2017: £1,195,078). This amount is included within the Hospice's general fund.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets, primarily the London Stock Exchange. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the charity is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report.

The main risk to the charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield. Due to 'quantitative easing' and market sentiment favouring lower risk investments, the yield on bonds has been abnormally low giving rise to a significant downside risk of a fall in capital values when interest rates return to normal levels. Although rising interest rates resulting from a stronger economy and improved economic activity should be indicative of improving dividend yields and equity values, there is a concern that the abnormal availability of 'cheap money' to the banking sector has led to wider over-valuation of traded assets (an 'asset bubble') that may depress equity values once economic conditions ease. The Charity is reliant on dividend yield in part to finance its work and this leads to a greater exposure to international companies, the values of which, together with their yield are exposed to exchange rate risk when converting the holdings into sterling.

NOTES TO THE ACCOUNTS

As at 31 March 2018

The outlook for the sterling exchange rate is that it is anticipated to weaken as European, US and Asian economies strengthen. A weakening in the exchange rate will improve sterling returns from foreign currency denominated holdings.

The default rate on fixed interest securities due to corporate failures is expected to improve with a strengthening economy. The high current demand for high quality corporate bond and government stock continues to depress the yield.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. The Charity does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

Investment in subsidiary undertaking

The investment in subsidiary undertaking represents a 100% holding in the Ordinary share capital of Wirral Hospice St John's Enterprises Limited. The company holds 2 Ordinary shares, being 100% of the subsidiary's issued share capital. The purpose of the company, which is incorporated in England and Wales, Company Number : 3940685, is to undertake the trading activities of the Hospice (buying and selling Christmas cards and other goods).

9. STOCKS

	The Group		The Company	
	2018	2017	2018	2017
	£	£	£	£
Fund-raising goods	<u>7,789</u>	<u>8,191</u>	<u>-</u>	<u>-</u>

NOTES TO THE ACCOUNTS

As at 31 March 2017

10. DEBTORS

	The Group		The Company	
	2018	2017	2018	2017
	£	£	£	£
Prepayments and accrued income	202,636	159,848	202,636	159,848
Due from subsidiary undertaking	-	-	61,808	68,646
Other debtors	1,082,001	1,041,504	1,082,001	1,041,503
	<u>1,284,637</u>	<u>1,201,352</u>	<u>1,346,445</u>	<u>1,269,997</u>

11. BANK BALANCES

	The Group		The Company	
	2018	2017	2018	2017
	£	£	£	£
Bank balances	1,107,162	928,798	1,030,329	861,934
Petty cash	737	804	617	684
	<u>1,107,899</u>	<u>929,602</u>	<u>1,030,946</u>	<u>862,618</u>

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	The Group		The Company	
	2018	2017	2018	2017
	£	£	£	£
Trade creditors	204,233	180,339	203,137	177,818
Social security and other taxes	56,477	51,879	56,477	51,879
Corporation Tax	1,402	0	0	0
Other creditors and accruals	34,859	81,135	34,859	77,128
Deferred income	1,172,295	1,077,369	1,172,295	1,077,369
	<u>1,469,266</u>	<u>1,390,722</u>	<u>1,466,768</u>	<u>1,384,194</u>

DEFERRED INCOME - THE GROUP AND THE COMPANY

	Total	Activities in	
		furtherance of	Lottery
	£	the charity's	income
		objectives	£
As at 1 April 2017	1,077,369	973,936	103,433
Released to income in the year	(1,077,369)	(973,936)	(103,433)
Deferred in the year	1,172,295	1,073,735	98,560
As at 31 March 2018	<u>1,172,295</u>	<u>1,073,735</u>	<u>98,560</u>

Deferred income comprises lottery income received in advance and grants and donations which the donor has specified must be used in future accounting periods.

As at 31 March 2018

13. RESERVES**The Group**

	Unrestricted General funds	Unrestricted Fixed Assets	Unrestricted Development funds	Restricted Funds	2018 Total
	£	£	£	£	£
As at 1 April 2017	5,084,919	3,181,578	125,000	2,189,535	10,581,032
Surplus / (Deficit) for the year	109,334	-	-	(55,120)	54,214
Transfers	45,608	(70,608)	25,000	-	-
As at 31 March 2018	5,239,861	3,110,970	150,000	2,134,415	10,635,246

	Unrestricted General funds	Unrestricted Fixed Assets	Unrestricted Development funds	Restricted Funds	2018 Total
Represented by:					
Tangible fixed assets	-	3,110,970	-	2,134,415	5,245,385
Investments	4,458,802	-	-	-	4,458,802
Cash at bank and in hand	957,899	-	150,000	-	1,107,899
Other net current liabilities	(176,840)	-	-	-	(176,840)
	5,239,861	3,110,970	150,000	2,134,415	10,635,246

The Company

	Unrestricted General funds	Unrestricted Fixed Assets	Unrestricted Development funds	Restricted Funds	2018 Total
	£	£	£	£	£
As at 1 April 2017	5,084,919	3,181,578	125,000	2,189,535	10,581,032
Surplus / (Deficit) for the year	88,900	-	-	(55,120)	33,780
Transfers	45,608	(70,608)	25,000	-	-
As at 31 March 2018	5,219,427	3,110,970	150,000	2,134,415	10,614,812

	Unrestricted General funds	Unrestricted Fixed Assets	Unrestricted Development funds	Restricted Funds	2018 Total
Represented by:					
Tangible fixed assets	-	3,110,970	-	2,134,415	5,245,385
Investments	4,458,804	-	-	-	4,458,804
Cash at bank and in hand	880,946	-	150,000	-	1,030,946
Other net current liabilities	(120,323)	-	-	-	(120,323)
	5,219,427	3,110,970	150,000	2,134,415	10,614,812

As at 31 March 2018

13. RESERVES (cont.)**The Group and the Company Prior Year**

	Unrestricted General funds	Unrestricted Fixed Assets	Unrestricted Development funds	Restricted Funds	2017 Total
	£	£	£	£	£
As at 1 April 2016	4,889,346	3,336,411	50,000	2,244,655	10,520,412
Deficit for the year	115,740	-	-	(55,120)	60,620
Transfers	79,833	(154,833)	75,000	-	-
As at 31 March 2017	5,084,919	3,181,578	125,000	2,189,535	10,581,032

	Unrestricted General funds	Unrestricted Fixed Assets	Unrestricted Development funds	Restricted Funds	2017 Total
Represented by:					
Tangible fixed assets	-	3,181,578	-	2,189,535	5,371,113
Investments	4,461,496	-	-	-	4,461,496
Cash at bank and in hand	804,602	-	125,000	-	929,602
Other net current assets	(181,179)	-	-	-	(181,179)
	5,084,919	3,181,578	125,000	2,189,535	10,581,032

The parent undertaking has taken advantage of Section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements.

The group surplus for the year includes a surplus from the parent company of £30,074 (2017: surplus £60,620), which is dealt with in the financial statements of the company.

The unrestricted development funds are in place to cover anticipated expenditure on tangible fixed assets in the next 12 months.

WIRRAL HOSPICE, ST JOHN'S

NOTES TO THE ACCOUNTS

As at 31 March 2018

14. RESTRICTED FUNDS

The Group and the Company

	At 1.4.17	Incoming Resources	Resources Expended	At 31.03.18
	£	£	£	£
Sunrise Appeal	501,257	-	(17,617)	483,640
Anniversary Appeal	691,323	-	(15,618)	675,705
Inpatient Refurbishment	440,000	-	(10,000)	430,000
Kitchen Appeal	36,876	-	(820)	36,056
Patient Information Centre	520,079	-	(11,065)	509,014
	<u>2,189,535</u>	<u>-</u>	<u>(55,120)</u>	<u>2,134,415</u>

The above funds represent amounts received to finance capital expenditure.

The Sunrise Appeal raised over £1m to fund the construction of a new purpose built Inpatient hospice which opened in 1996.

The Anniversary Appeal raised funds to construct a new Outpatient Service building which was completed in 2008.

The Inpatients Refurbishment was a grant received from the Department of Health for the remodelling and improvement of the Inpatients Ward of the Hospice. This has been included within Hospice Premises in fixed assets.

The Kitchen Appeal raised funds to redevelop the Hospice Kitchen, which was completed in 2012

The Patient Information Centre is a grant received from the Department of Health for the redevelopment and extension of a building for use as patient information centre and office space for our integrated shared care team. This has been included within Hospice Premises in fixed assets.

15. CONTINGENT LIABILITIES

Neither the group nor the company had any contingent liabilities at 31 March 2018 or 31 March 2017

NOTES TO THE ACCOUNTS

As at 31 March 2017

16. CAPITAL COMMITMENTS

The group and the company had no capital commitment liabilities as at 31 March 2018. (2017: nil)

17. OPERATING LEASE COMMITMENTS

The total amounts payable in respect of operating leases for land and buildings are shown below, analysed according to the expiry date of the leases.

	The Group		The Company	
	2018	2017	2018	2017
	£	£	£	£
Within one year	107,345	108,703	107,345	108,703
Between one and five years	68,921	97,747	68,921	97,747
More than five years	38,424	0	38,424	0
	<u>214,690</u>	<u>206,450</u>	<u>214,690</u>	<u>206,450</u>

18. RELATED PARTY TRANSACTIONS

During the year, the company paid £3,000 (31st March 2017: £6,000) including VAT for accountancy advice to Grant Thornton UK LLP. G M Ridgway, the company's Treasurer, is an employee of Grant Thornton UK LLP.

During the year, the company paid £8,491 (31st March 2017: £5,133) including VAT for legal advice to Brabners LLP. S Burrows, a Trustee, is a non executive director of Brabners LLP.

19. STATUTORY INFORMATION

Wirral Hospice St John's is a private company, limited by guarantee, registered in England and Wales and has no share capital. Approval has been obtained to dispense with "Limited" in the name of the company, being a charitable organisation. The company's registered number and registered office address can be found on the Reference and Administrative Details page within the Trustees' Report.

The presentation currency of the financial statements is the Pound Sterling (£).

NOTES TO THE ACCOUNTS

As at 31 March 2018

20. ANALYSIS OF PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

	Year ended 31.03.2017 Unrestricted Funds £	Year ended 31.03.2017 Restricted Funds £	Year ended 31.03.2017 Total Funds £
Income			
Donations and Legacies	906,041	-	906,041
Other Trading Activities	1,924,907	-	1,924,907
Investments	123,945	-	123,945
	<u>2,954,893</u>	<u>-</u>	<u>2,954,893</u>
Income from charitable activities	2,222,712	-	2,222,712
Total Income	<u>5,177,605</u>	<u>-</u>	<u>5,177,605</u>
Expenditure			
Costs of raising funds	27,038	-	27,038
Fundraising costs	1,329,825	-	1,329,825
Investment management costs	30,952	-	30,952
Charitable activities	4,164,633	55,120	4,219,753
Support costs	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditure	<u>5,552,448</u>	<u>55,120</u>	<u>5,607,568</u>
Net expenditure / income	(374,843)	(55,120)	(429,963)
Loss on investments	<u>490,583</u>	<u>-</u>	<u>490,583</u>
Net movement in funds	115,740	(55,120)	60,620
Reconciliation of Funds			
Total funds brought forward	<u>8,275,757</u>	<u>2,244,655</u>	<u>10,520,412</u>
Total funds carried forward	<u><u>8,391,497</u></u>	<u><u>2,189,535</u></u>	<u><u>10,581,032</u></u>

Further Information



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