

**The Five Towns Plus Hospice
Fund Limited
(A Company Limited by Guarantee)**

**Company Number 1797810
Charity Number 514999**

**Report and Financial Statements
Year ended 31st March 2008**

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The Five Towns Plus Hospice Fund Limited **(A Company Limited by Guarantee)**

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The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Reference and Administrative Information *for the year ended 31st March 2008*

Charity name	The Five Towns Plus Hospice Fund Limited
Charity registration number	514999
Company registration number	1797810
Working Name	The Prince of Wales Hospice
Registered Office	The Prince of Wales Hospice Halfpenny Lane, Pontefract, WF8 4BG 01977 708868 www.pwh.org.uk

Board of Trustees

The trustees and the committees on which they serve are

Mr G Tollefson	Chairman	Finance Committee
Mr C L O Allen		Clinical Governance Committee
Mr I Dransfield		
Mrs A Gleed MBE		Fundraising and Clinical Governance Committees
Mr D Hayes		Appointed 29 January 2008
Mr B S Parkes	Deputy Chairman	Fundraising Committee
Mr J E Sidwell	Treasurer	Finance and Human Resources Committees
Mr R M Whitaker		Fundraising and Human Resources Committees

Senior Management Team

Mr D M Stewart	General Manager and Company Secretary
Vacant	Medical Director
Mrs L J Bennett	Fundraising and Marketing Manager
Vacant	Clinical Services Manager
Miss A J Ingram	Facilities Manager
Mrs K M Widdowson	Finance Manager

Auditors Jolliffe Cork LLP, Registered Auditors and Chartered Accountants
33 George Street, Wakefield, WF1 1LX

Bankers Yorkshire Bank plc
Ropergate, Pontefract, WF8 1LQ

Solicitors Hartley & Worstenholme
20 Bank Street, Castleford, WF10 1JD

Lupton Fawcett LLP
Yorkshire House, East Parade, Leeds, LS1 5BD

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Report by the Trustees *for the year ended 31st March 2008*

The Trustees present their annual report and audited financial statements for the year ended 31st March 2008

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and the Statement of Recommended Practice "Accounting and Reporting by Charities" revised in 2005. Donations to the Hospice for specific purposes have been shown separately as restricted funds within the Statement of Financial Activities (SOFA)

Structure, governance and management

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association. It is a Registered Charity, number 514999. The Five Towns Plus Hospice Shops Limited is a wholly owned subsidiary.

The Directors of the Company are listed on page 1 and are known as the Board of Trustees. The Trustees are usually elected by the members of the Company, although some may be co-opted to meet particular requirements in which circumstances they would seek election at the next Company annual general meeting. Trustees serve for three-year periods and must seek re-election at the end of each three-year period. There is no limit on the length of time they may serve as Trustees.

The Trustees usually meet monthly and no fewer than six times a year. They consider and agree a strategic plan, business plan and budget. Performance against them is considered quarterly, whereas operational performance is reviewed monthly. Detailed scrutiny of particular aspects of the Hospice's performance is wholly devolved to Board sub-committees, viz finance, human resources and fundraising. The Hospice also has a clinical governance committee on which two trustees represent the Board. These systems of internal control are designed to ensure that the Board of Trustees (i) is completely engaged at a strategic level, (ii) is aware of the risks that the Company may face and (iii) is provided with reasonable, but not absolute, assurances against material misstatement or loss.

Although one new Trustee was recruited during the year, the Board continued to consider its composition and effectiveness and agreed to further widen its composition, and so strengthen its effectiveness, through the active recruitment of more trustees. The Hospice has a full induction programme for newly appointed trustees.

Implementation of the strategic and business plans and management of the budget is fully delegated to the General Manager and, through him, to the senior management team. Appropriate members of that team are present at the afore-mentioned Board sub-committees.

The Trustees recognise the hard work, dedication and enthusiasm of staff and volunteers throughout the year, and are grateful to them for their efforts. The contributions of volunteers, on which the Hospice is particularly reliant, were greatly appreciated.

The Board of Trustees considered the major risks to which the Hospice is exposed. A risk register has been established and is updated regularly to an agreed timetable. Responsibility for the oversight of some major risks has been delegated to the appropriate Board sub-committee.

The Five Town Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Report by the Trustees (continued) *for the year ended 31st March 2008*

Objectives and activities

The primary charitable objects as set out in the Memorandum and Articles of Association are

- to operate The Prince of Wales Hospice, Pontefract as a centre for specialist palliative care available and accessible to all from the local community and in particular, the area covered by Castleford, Featherstone, Knottingley, Normanton, Pontefract (together known as the Five Towns), Hemsworth, South Elmsall and South Kirkby, and
- to provide facilities for recreational and other leisure time occupation for the benefit of the occupants of the area and to develop and to maintain the grounds of The Prince of Wales Hospice to create a pleasant and relaxing environment for all who use the Hospice

In furtherance of the second object, the grounds to the rear of the Hospice have been redeveloped to form a range of landscaped gardens for the benefit of patients, staff and others

The principal activity of the company is the provision of effective, supportive and professional hospice-based specialist palliative care

The Board's strategy remains one of continuous improvement to the quality and scope of hospice care for patients with life limiting illnesses, closer collaboration with partner organisations including the NHS in the provision of palliative and specialist palliative care and the education of those professionals who require an understanding or knowledge of palliative and specialist palliative care

The Hospice is regulated by the Healthcare Commission, which gave a positive report after the last inspection in October 2005. After a self-assessment in November 2006 a visit was not deemed to be necessary. Action plans are used in response to inspection reports, and there is a systematic programme of clinical audit. The senior management team sets objectives each year both for internal improvement and external outcomes, to gradually achieve the Hospice's medium term strategy. Progress against these objectives is reviewed quarterly by the Board.

The Board will review the strategy when the government publishes its End of Life and Older Peoples' Strategy. Other government initiatives for the NHS such as Payment by Results and the National Tariff will affect the strategy in the longer term.

The charity's objectives for 2008/09 are to

- (a) consider the government's end of life and older peoples' strategy and, working with partner organisations, to develop and to take forward that strategy, for which work Wakefield District Primary Care Trust has contributed £500,000 to the Hospice
- (b) conclude the development of an action plan for a fundraising campaign for the permanent expansion of the Hospice, and to implement that campaign,
- (c) conclude the restructuring of the Hospice's managerial and administrative teams,
- (d) re-engineer administrative processes, including those for personnel and training matters, to ensure responsibility is properly allocated within the organisation

The Five Towns Plus Hospice Fund Limited **(A Company Limited by Guarantee)**

Report by the Trustees (continued) **for the year ended 31st March 2008**

Achievements and performance

The Board's main objectives for 2007/08 were to -

- (a) undertake the refurbishment of the main entrance to the Hospice and lymphoedema clinic for which a Department of Health grant of £298,175 was authorised in 2006/07. Following a seminar led by The Prince's Foundation of the Built Environment in June 2007, the plans for the refurbishment were recast to reflect the design principles agreed at that seminar so that the further redevelopment of the Hospice would be able to build on this work. The refurbishment was complete on 4th April 2008 and the "new" reception and lymphoedema clinic opened on 24th June 2008,
- (b) device, launch and implement a capital appeal to extend the Hospice building to improve the quality of care for patients. This work was started during the year and will be continued in 2008/09,
- (c) move towards 7 day admissions to Incare. This proved problematic to take forward on grounds of cost and renegotiating medical contracts of employment. It will be reconsidered in the light of the Government's end of life and older people's strategy,
- (d) develop, plan and run a Wakefield-wide lymphoedema service. Following protracted negotiations with the Wakefield District Primary Care Trust, funding was provisionally allocated for this service to run from April 2008. In view of that promised funding the service is being rolled throughout the district and should be fully operational from June 2008,
- (e) increase fundraised income by 5%. Excluding legacies, fundraised income increased by 9.75% but fell by 15.72% overall because 2006/07 was an exceptional year for legacy income.

Statistics for the year, with comparisons with previous years, are given below

	2007/08	2006/07	2005/06
Incare			
Admissions	161	212	168
Average length of stay (days)	12.3	11.8	11.3
Occupancy	66%	68%	62%
Day Hospice			
Total attendances	747	915	1,602
New referrals	153	90	53
Occupancy	57%	67%	69%
Lymphoedema clinic			
Total number of appointments	1,148	915	751
New referrals	82	112	74

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Report by the Trustees (continued) *for the year ended 31st March 2008*

Achievements and performance (continued)

The fewer number of admissions to Incare than the previous two years was largely due to its necessary closure for most of March to allow the completion of the refurbishment works. Day Hospice continued to open for 3 days a week during the year and carried forward the development of the way in which it operated by focusing more closely on assessing patients' specialist palliative care needs and tailoring packages of support to meet those needs. It also took forward the expansion of the service to patients with all types of life limiting diseases, including further work with those with motor neurone disease. Day Hospice also supported the self-help group for former patients and others and the carers' support group. For the first time the lymphoedema clinic operated for 5 days a week and, although the number of referrals fell from 2006/07, there were many more clinic appointments and the waiting time for a first appointment in March 2008 was 4 weeks.

Financial review

The charity's financial health at the year end was satisfactory, and showed an improvement on 2007, but there is always concern as to whether there will be sufficient income to finance the Hospice each year. The Board is very grateful for the community support to the Hospice in donations of money, legacies and support of our events and shops, as only a quarter of our income comes from the NHS.

The Hospice is reliant on individuals, companies and organisations in the community planning events to raise money, our own events and activities alone could never raise enough funds to provide our hospice care.

Unrestricted income for the year increased by £19,000 (1%) to £2,470,000. Total funding from primary care trusts (PCTs) increased from £558,000 to £639,000 (26% of income). Funding from Wakefield District PCT was £583,000 (2007 £504,000) which included £95,000 (2007 £38,000) to fund the full-time lymphoedema clinic, the only such clinic in the district. The subsidiary company, The Five Towns Plus Hospice Shops Limited, which operates charity shops selling mainly donated goods provided Gift Aided income of £363,000, a small increase on 2007. A further £44,489 (2007 £43,517) was transferred to the Hospice in payment for administrative charges. Fundraising activities, including unrestricted direct donations, totalled £566,000, an increase of £25,000 (5%) on 2007. Legacy income was £111,000, less than 2007 which included one legacy of £170,000. Fundraising costs increased slightly during the year due to a full complement of fundraising staff who are able to organise events and provide more support to volunteers and members of the public fundraising for the hospice.

Total unrestricted expenditure for the year increased by £97,000 (4%) to £2,492,000. The main increases in costs were staff costs, in particular the appointment of a full-time interim medical consultant from 1 October 2007 and the increased staffing in lymphoedema and fundraising referred to above.

Reserves policy

The Board of Trustees has considered the charity's requirements for reserves in the light of the main risks to the operation. That review considered the nature and amounts of the income and expenditure streams, in particular the need to match variable income with fixed commitments and the nature of reserves. The group's main cost is staff salaries: these are regular payments, whereas income is more erratic. The review concluded that a buffer for uninterrupted services and sufficient management flexibility would be ensured by a general reserve of a minimum of four months' salary costs.

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Report by the Trustees (continued) *for the year ended 31st March 2008*

Reserves policy (continued)

At 31st March 2008 reserves, which are unrestricted funds excluding funds invested in fixed assets, stood at £443,169 (2007 £464,540) (note 13). This is less than in 2007, while group salaries for the last four months of the year cost £581,000. Nevertheless, the Board expects reserves of four months' salaries to be accrued by 2010 and to provide longer-term security, six months' such reserves (£877,000) by 2012. Meantime, the present policy of closely monitoring and managing costs will be maintained.

Trustees' responsibilities for the financial statements

Company and charity law require the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charity and the group and of the group's financial activities for that period. In preparing those financial statements the Trustees are required to -

- select suitable accounting policies and apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable accounting standards have been followed, subject to any departures disclosed and explained in the financial statements, 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 proper accounting records which disclose with reasonable accuracy the financial position of the charity at any time and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

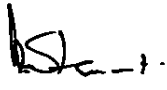
So far as each of the Trustees at the date of this report is aware,

- there is no relevant audit information of which the company's auditors are unaware, and
- the Trustees have taken all steps which 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.

Auditors

In accordance with section 385 of the Companies Act 1985 a resolution proposing that Jolliffe Cork LLP be re-appointed auditors will be put to the Annual General Meeting.

The Prince of Wales Hospice
Halfpenny Lane
Pontefract
WF8 4BG



On behalf of the Board

D M Stewart
Secretary

Dated 24th June 2008

Independent Auditors Report to the members of The Five Towns Plus Hospice Fund Limited (A Company Limited by Guarantee)

We have audited the group and charity financial statements of The Five Towns Plus Hospice Fund Limited for the year ended 31st March 2008, which comprise the Consolidated Statement of Financial Activities, the group and charity Balance Sheets, and related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of The Five Towns Plus Hospice Fund Limited for the purposes of company law) responsibilities for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Trustees' Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We read other information contained in the Trustees' Annual Report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

**Independent Auditors Report to the members of
The Five Towns Plus Hospice Fund Limited
(A Company Limited by Guarantee) *(continued)***


Opinion

In our opinion the financial statements

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the group's and the charity's affairs as at 31st March 2008 and of the group's net income for the year then ended, and
- have been properly prepared in accordance with the Companies Act 1985

Dated this 24th June 2008

33 George Street
Wakefield
WF1 1LX



Jolliffe Cork LLP
Registered Auditors and
Chartered Accountants

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Consolidated Statement of Financial Activities (including the Income and Expenditure account) for the year ended 31st March 2008

Notes	Unrestricted Funds £	Restricted Funds £	Total 2008 £	Total 2007 £
Incoming Resources				
<i>Incoming resources from generated funds</i>				
2 Voluntary income				
Donations and gifts	367,192	65,242	432,434	394,034
Legacies	111,450	-	111,450	251,241
Activities for generating funds				
Fundraising	199,353	-	199,353	194,806
The Five Towns Plus Hospice Shops Limited	1,097,711	-	1,097,711	1,065,631
Investment income	39,622	10	39,632	30,601
<i>Incoming resources from charitable activities</i>				
NHS grants for palliative care	638,933	-	638,933	557,832
Other grants	-	193,765	193,765	-
Training students and other income	13,014	-	13,014	4,037
Other income resources	3,056	-	3,056	-
<i>Profit on disposal of fixed assets</i>	50	-	50	105
Total incoming resources	2,470,381	259,017	2,729,398	2,498,287
	=====	=====	=====	=====
Resources Expended				
<i>Costs of generating funds</i>				
Fundraising costs	222,486	-	222,486	183,034
The Five Towns Plus Hospice Shops Limited	735,707	-	735,707	705,689
<i>Charitable activities</i>				
Hospice inpatient unit	1,061,439	519	1,061,958	1,012,050
Day Hospice and carer support	206,740	1,239	207,979	242,348
Lymphoedema clinic	65,286	-	65,286	48,614
Therapies and other care	137,771	6,752	144,523	146,976
<i>Governance costs</i>	62,500	-	62,500	66,919
6 Total resources expended	2,491,929	8,510	2,500,439	2,405,630
	=====	=====	=====	=====
5 Net incoming resources before transfers	(21,548)	250,507	228,959	92,657
14 Gross transfers between funds	43,511	(43,511)	-	-
	=====	=====	=====	=====
Net incoming resources before unrealised gains (surplus of income over expenditure)	21,963	206,996	228,959	92,657
10 <i>Unrealised loss on investments</i>	<i>(2,975)</i>	<i>-</i>	<i>(2,975)</i>	<i>-</i>
	=====	=====	=====	=====
Net movements of funds	18,988	206,996	225,984	92,657
Reconciliation of funds				
Total funds brought forward	1,327,547	51,704	1,379,251	1,286,594
	=====	=====	=====	=====
Total funds carried forward	1,346,535	258,700	1,605,235	1,379,251
	=====	=====	=====	=====

The notes on pages 14 to 25 form part of these financial statements

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Charity Statement of Financial Activities

for the year ended 31st March 2008

Notes	Unrestricted Funds £	Restricted Funds £	Total 2008 £	Total 2007 £
Incoming Resources				
<i>Incoming resources from generated funds</i>				
2 Voluntary income				
Donations and gifts	367,192	65,242	432,434	394,034
Legacies	111,450	-	111,450	251,241
Activities for generating funds				
Fundraising	199,353	-	199,353	194,806
Profit gift aided by The Five Towns Plus Hospice Shops Limited	363,000	-	363,000	361,000
Investment income	38,310	10	38,320	29,549
<i>Incoming resources from charitable activities</i>				
NHS grants for palliative care	638,933	-	638,933	557,832
Other grants	-	193,765	193,765	-
Training students and other grants	13,014	-	13,014	4,037
Other income resources	3,056	-	3,056	-
<i>Profit on disposal of fixed assets</i>	50	-	50	105
Total incoming resources	1,734,358	259,017	1,993,375	1,792,604
	=====	=====	=====	=====
Resources Expended				
<i>Costs of generating funds</i>				
Fundraising costs	222,486	-	222,486	183,034
<i>Charitable activities</i>				
Hospice inpatient unit	1,061,439	519	1,061,958	1,012,050
Day Hospice and carer support	206,740	1,239	207,979	242,348
Lymphoedema clinic	65,286	-	65,286	48,614
Therapies and other care	137,771	6,752	144,523	146,976
<i>Governance costs</i>	62,500	-	62,500	66,919
Total resources expended	1,756,222	8,510	1,764,732	1,699,941
	=====	=====	=====	=====
5 Net incoming resources before transfers	(21,864)	250,507	228,643	92,663
14 Gross transfers between funds	43,511	(43,511)	-	-
	=====	=====	=====	=====
Net incoming resources before unrealised gains	21,647	206,996	228,643	92,663
10 Unrealised loss on investments	(2,975)	-	(2,975)	-
	=====	=====	=====	=====
Net movement in funds	18,672	206,996	225,668	92,663
Reconciliation of funds				
Total funds brought forward	1,326,894	51,704	1,378,598	1,285,935
Total funds carried forward	1,345,566	258,700	1,604,266	1,378,598
	=====	=====	=====	=====

The notes on pages 14 to 25 form part of these financial statements

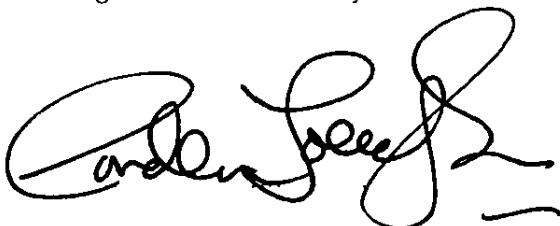
The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Consolidated Balance Sheet as at 31st March 2008

Notes	2008	2007
	£	£
Fixed assets		
8 Tangible assets	1,097,131	863,007
Current assets		
9 Debtors	562,268	59,880
10 Investments	6,594	9,569
Cash at bank and short term deposits	689,709	579,232
	<u>1,258,571</u>	<u>648,681</u>
Creditors		
11 Amounts falling due within one year	<u>750,467</u>	<u>132,437</u>
Net current assets	<u>508,104</u>	<u>516,244</u>
Net assets	<u>1,605,235</u>	<u>1,379,251</u>
	=====	=====
Funds		
14 Restricted funds	258,700	51,704
Unrestricted funds	1,346,535	1,327,547
Total funds	<u>1,605,235</u>	<u>1,379,251</u>
	=====	=====

The financial statements on pages 9 to 25 were approved by the trustees on the 24th June 2008 and signed on their behalf by



G Tollefson (Chairman)



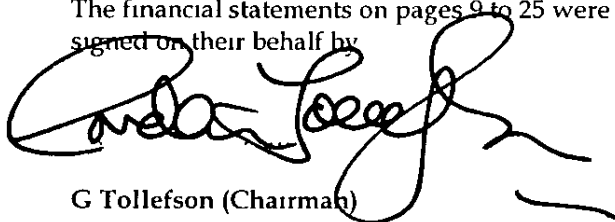
J E Sidwell (Treasurer)

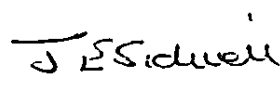
The Five Towns Plus Hospice Fund Limited
(A Company Limited by Guarantee)

Parent Company Balance Sheet
as at 31st March 2008

Notes	2008	2007
	£	£
Fixed assets		
7 Tangible assets	1,004,170	800,757
12 Investments	2	2
	<u>1,004,172</u>	<u>800,759</u>
Current assets		
9 Debtors	648,669	146,621
10 Investments	6,594	9,569
Cash at bank and in hand	636,479	523,835
	<u>1,291,742</u>	<u>680,025</u>
Creditors		
11 Amounts falling due within one year	<u>691,648</u>	<u>102,186</u>
Net current assets	<u>600,094</u>	<u>577,839</u>
Net assets	<u>1,604,266</u>	<u>1,378,598</u>
	=====	=====
Funds		
14 Restricted funds	258,700	51,704
Unrestricted funds	1,345,566	1,326,894
	<u>1,604,266</u>	<u>1,378,598</u>
	=====	=====

The financial statements on pages 9 to 25 were approved by the trustees on the 24th June 2008 and signed on their behalf by


G Tollefson (Chairman)


J E Sidwell (Treasurer)

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Consolidated Cash Flow Statement for the year ended 31st March 2008

Notes	2008		2007	
	£	£	£	£
Reconciliation of net income to operating cash flows				
Net income for the year		225,984		92,657
Investment income		(39,632)		(30,601)
Depreciation charge for the year		82,299		88,255
Loss on disposal of tangible fixed assets		5,397		2,116
Unrealised loss on investment		2,975		-
(Increase)/ Decrease in debtors		(502,388)		516,422
Increase/(Decrease) in creditors		618,030		(455,440)
		<hr/>		<hr/>
Net cash inflow from operating activities		392,665		213,409
Returns on investments				
Interest received	39,306		30,601	
Dividends received	326		-	
	<hr/>		<hr/>	
		39,632		30,601
Capital expenditure				
Payments to acquire tangible fixed assets	(322,211)		(43,827)	
Proceeds from sale of tangible fixed assets	391		105	
Payments to acquire short term Investments	-		(9,569)	
	<hr/>		<hr/>	
Capital expenditure		(321,820)		(53,291)
		<hr/>		<hr/>
Net cash inflow for the year		110,477		190,719
		<hr/>		<hr/>
Analysis of changes in cash during the year				
		Short term deposits and cash at bank 2008	Short term deposits and cash at bank 2007	
		£	£	
At 1st April 2007		579,232	388,513	
Increase in cash		110,477	190,719	
		<hr/>	<hr/>	
As at 31st March 2008		689,709	579,232	
		<hr/>	<hr/>	

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements *for the year ended 31st March 2008*

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" revised in 2005, the Companies Act 1985 and applicable accounting standards

The group accounts consolidate the financial statements of the charity and its subsidiary undertaking line by line. A separate Statement of Financial Activities has been presented for the charity alone on page 10

Incoming resources

Voluntary income is recognised in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable certainty. For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received.

Fundraising income arises from events organised by the Hospice fundraising team. Where an entry fee is payable for an event, that income is deferred until the event is held, in case the event is cancelled and fees have to be repaid.

Gifts of second-hand goods donated for resale are accounted for when they are sold. The stock of such goods at the year end is not valued in the accounts.

Grants received from the NHS for the provision of palliative care are set out in a service level agreement which covers a particular year. The grant is deferred until the start of that year.

Resources expended

All resources expended are accounted for on an accruals basis. Hospice expenditure includes attributable irrecoverable VAT.

Charitable activities, fundraising and governance costs include the direct costs of the activities, depreciation on related assets and a proportion of support costs. Costs relating to the Hospice premises which support both patient care and office functions, such as maintenance, catering, heating and housekeeping are allocated to patient, fundraising and office activities based on the floor area occupied. The central office support functions of human resources, finance and management are then allocated to patient care and fundraising on a per capita basis.

Fund-raising costs are both the costs of generating voluntary income and the costs of organising events to raise money, and include an apportionment of support costs. Fundraising necessarily includes raising awareness of the Hospice in the area.

Governance costs are the costs of running the charity. This includes external audit, costs of trustees' meetings, legal advice to the trustees, strategic management and an apportionment of support costs.

The Five Towns Plus Hospice Fund Limited (A Company Limited by Guarantee)

Notes to the Financial Statements for the year ended 31st March 2008

1 Accounting policies (*continued*)

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £250 or part of a project costing more than £250 in total are capitalised at cost including any incidental costs of acquisition. Depreciation is provided at rates calculated to write off the cost less any residual value over their estimated useful lives as follows -

Freehold land and buildings	2% on cost
Short leasehold land and buildings	Period of lease
Motor vehicles less than four years old	20% on cost
Motor vehicles more than four year old	25% on reducing balance
Fixtures, fittings and equipment - Charity	33%, 25% or 20% on cost
Fixtures, fittings and equipment - Trading subsidiary	15% or 20% on cost

Operating leases

Rentals applicable to operating leases are charged to the SOFA on a straight-line basis over the lease term, even if payments are not made on such a basis

Pension costs

During the year the Board set up a Group Personal Pension Plan with Norwich Union which became active on 1st November 2007. All members of staff are eligible to join but the group will not contribute for any employee who is also an active member of the NHS Pension Scheme. The group pays 5% of salary for employees who join if they were employed before 1st October 2007, irrespective of the employee's contribution, and matches the employee's contribution up to a maximum of 5% salary for staff who joined the group after that date.

Employees who are already active members of the NHS Pension Scheme when they join the charity's employ are permitted to continue contributing to the Scheme. Rates are set by the NHS Pensions Agency. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities attributable to the charity, so in accordance with FRS17 the scheme is accounted for as a defined contribution scheme.

A small number of employees have their own stakeholder or personal pension plans into which the group continues to pay between 5 and 7 % of salary if this arrangement was in place before the GPPP was set up. Contributions for all employees are charged in the SOFA as they become payable.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity.

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the year ended 31st March 2008

2 Analysis of voluntary income

	Charity and 2008 £	Group 2007 £
Donations and gifts		
Individuals	368,594	315,385
Charitable trusts	13,423	46,968
Corporate donors	50,417	31,681
Legacies	111,450	251,241
	<u>543,884</u>	<u>645,275</u>
	=====	=====

3 Trustees' remuneration and related party transactions

The trustees and persons connected with them neither received nor waived any emoluments during the year (2007 £Nil)

Travel, telephone and out of pocket expenses amounting to £311 (2007 £817) were reimbursed to Trustees. This covered the expenses of 3 Trustees (2007 2) and included the cost of mobile telephones provided for use on fundraising and Hospice calls

The charity paid £1,260 for a trustees' indemnity insurance policy for the year (2007 £1,775)

Mr J E Sidwell is employed by a legal firm which performed work for the charity during the year. The fees paid to the firm were £7,181 (2006 £9,818)

4 Staff costs

	Charity		Group	
	2008 £	2007 £	2008 £	2007 £
Wages and salaries	1,232,522	1,090,978	1,585,655	1,425,847
Social security costs	98,057	86,429	122,431	110,004
Pension costs	73,809	64,107	75,406	64,107
	<u>1,404,388</u>	<u>1,241,514</u>	<u>1,783,492</u>	<u>1,599,958</u>
	=====	=====	=====	=====
Average number of staff employed	85	79	118	110
Average number of whole time equivalent staff employed	27	27	57	57

One group employee received emoluments in the range £80,000 - £90,000 per annum (2007 none over £60,000). No pension contributions were made in respect of this employee

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements for the year ended 31st March 2008

5 Group net incoming resources for the year

	2008 £	2007 £
This is stated after charging		
Auditors' remuneration		
Audit fee	5,523	5,478
Other services	5,106	4,343
Operating lease rentals		
Land and buildings	148,771	143,297
Plant and equipment	7,197	4,736
Depreciation of owned tangible fixed assets	82,299	88,255
	=====	=====

6 Analysis of group total resources expended

	Staff costs £	Other direct costs £	Dep'n £	Support Costs £	Total 2008 £	Total 2007 £
Fundraising costs	102,165	81,924	754	37,643	222,486	183,034
Trading subsidiary expenses	379,104	290,625	21,489	44,489	735,707	705,689
Charitable expenditure						
Inpatient unit	739,085	39,042	10,387	273,444	1,061,958	1,012,050
Day Hospice and carer support	109,190	8,028	4,607	86,154	207,979	242,348
Lymphoedema clinic	38,265	14,473	-	12,548	65,286	48,614
Therapies and other care	53,103	27,963	5,093	58,364	144,523	146,976
Governance costs	49,852	9,875	-	2,773	62,500	66,919
	-----	-----	-----	-----	-----	-----
	1,470,764	471,930	42,330	515,415	2,500,439	2,405,630
	=====	=====	=====	=====	=====	=====

The Five Towns Plus Hospice Fund Limited **(A Company Limited by Guarantee)**

Notes to the Financial Statements *for the year ended 31st March 2008*

6 Analysis of total resources expended (continued)

Details of support costs

	Staff costs £	Other direct costs £	Dep'n £	Total 2008 £	Total 2007 £
Human resources	74,478	29,140	-	103,618	101,177
Finance	51,357	5,833	-	57,190	54,344
Management	55,520	4,016	-	59,536	46,089
Establishment costs					
Catering	47,448	19,363	-	66,811	75,860
Housekeeping	36,329	8,193	-	44,522	38,504
Maintenance and services	30,116	65,953	39,969	136,038	137,531
Reception and office facilities	17,480	18,384	-	35,864	37,328
Information and technology	-	7,421	-	7,421	8,181
Loss on disposal of fixed assets	-	4,415	-	4,415	-
	-----	-----	-----	-----	-----
	312,728	162,718	39,969	515,415	499,014
	=====	=====	=====	=====	=====
 Total resources expended	 1,783,492	 634,648	 82,299		
	=====	=====	=====		

The Five Towns Plus Hospice Fund Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March 2008

7 Tangible fixed assets - Charity

Cost	Freehold Land and Buildings £	Short Leasehold Buildings £	Fixtures and Fittings £	Motor Vehicles £	Total £
1st April 2007	940,191	79,663	520,114	38,821	1,578,789
Additions	194,595	-	48,131	26,701	269,427
Disposals	(4,052)	-	(70,628)	-	(74,680)
31st March 2008	1,130,734	79,663	497,617	65,522	1,773,536
	=====	=====	=====	=====	=====
Depreciation					
1st April 2007	237,147	65,110	446,085	29,690	778,032
Charge for year	18,722	9,702	29,673	2,713	60,810
On disposals	(405)	-	(69,071)	-	(69,476)
31st March 2008	255,464	74,812	406,687	32,403	769,366
	=====	=====	=====	=====	=====
Net book value					
31st March 2008	875,270	4,851	90,930	33,119	1,004,170
	=====	=====	=====	=====	=====
31st March 2007	703,044	14,553	74,029	9,131	800,757
	=====	=====	=====	=====	=====

The Five Towns Plus Hospice Fund Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March 2008

8 Tangible fixed assets - Group

Cost	Freehold Land and Buildings £	Short Leasehold Buildings £	Fixtures and Fittings £	Motor Vehicles £	Total £
1st April 2007	940,191	79,663	677,586	90,251	1,787,691
Additions	194,595	-	96,085	31,531	322,211
Disposals	(4,052)	-	(73,237)	(6,943)	(84,232)
31st March 2008	1,130,734	79,663	700,434	114,839	2,025,670
	=====	=====	=====	=====	=====
Depreciation					
1st April 2007	237,147	65,110	561,565	60,862	924,684
Charge for the year	18,722	9,702	41,880	11,995	82,299
On disposals	(405)	-	(71,409)	(6,630)	(78,444)
31st March 2008	255,464	74,812	532,036	66,227	928,539
	=====	=====	=====	=====	=====
Net book value					
31st March 2008	875,270	4,851	168,398	48,612	1,097,131
	=====	=====	=====	=====	=====
31st March 2007	703,044	14,553	116,021	29,389	863,007
	=====	=====	=====	=====	=====
For direct charitable use					
Net book value					
31st March 2008	875,270	4,851	90,930	33,119	1,004,170
	=====	=====	=====	=====	=====
31st March 2007	703,044	14,553	74,029	9,131	800,757
	=====	=====	=====	=====	=====
For non-charitable trading					
Net book value					
31st March 2008	-	-	77,468	15,493	92,961
	=====	=====	=====	=====	=====
31st March 2007	-	-	41,992	20,258	62,250
	=====	=====	=====	=====	=====

The Five Towns Plus Hospice Fund Limited
(A Company Limited by Guarantee)

Notes to the Financial Statements
for the year ended 31st March 2008

9 Debtors

	Charity		Group	
	2008	2007	2008	2007
	£	£	£	£
Trade debtors	501,353	1,937	502,538	1,937
Amount due from subsidiary	131,109	123,612	-	-
Other debtors	-	-	5,302	7,403
Prepayments	15,227	17,624	50,593	46,092
Accrued income	980	3,448	3,835	4,448
	<u>648,669</u>	<u>146,621</u>	<u>562,268</u>	<u>59,880</u>
	=====	=====	=====	=====

10 Current asset investments

	Charity & Group
Market value at 1st April 2007	9,569
Unrealised loss on revaluation	(2,975)
	<u>6,594</u>
	=====

The 'Five Towns Plus' Hospice Fund Limited **(A Company Limited by Guarantee)**

Notes to the Financial Statements *for the year ended 31st March 2008*

11 Creditors

Amounts falling due within one year

	Charity		Group	
	2008	2007	2008	2007
	£	£	£	£
Trade creditors	34,080	32,745	42,976	39,399
Taxation and social security costs	27,770	28,690	35,355	35,638
Accruals and deferred income	629,798	40,751	672,136	57,400
	<u>691,648</u>	<u>102,186</u>	<u>750,467</u>	<u>132,437</u>
	=====	=====	=====	=====

As explained in the accounting policies, accruals and deferred income above includes some income deferred to a later accounting period

	Charity		Group	
	2008	2007	2008	2007
	£	£	£	£
NHS grant to implement the government's End of Life Care Strategy in 2008/09	500,000	-	500,000	-
Department of Health grant in advance	104,410	-	104,410	-
Rent in advance for Macmillan nurse accommodation	5,000	15,000	5,000	15,000
Ticket sales and entry fees to events in 2008/09	7,865	15,914	7,865	15,914
	<u>617,275</u>	<u>30,914</u>	<u>617,275</u>	<u>30,914</u>
	=====	=====	=====	=====

The Five Towns Plus Hospice Fund Limited **(A Company Limited by Guarantee)**

Notes to the Financial Statements *for the year ended 31st March 2008*

12 Subsidiary company - The Five Towns Plus Hospice Shops Limited

The charity owns the whole of the £2 issued ordinary share capital of The Five Towns Plus Hospice Shops Limited, a company registered in England which operates charity shops for the sale of donated goods. The company gift aids to the charity annually as a minimum, its net profits from the sale of donated goods. Audited accounts will be filed with the Registrar of Companies and have been consolidated in the group accounts presented here. The trading results are summarised below.

	2008 £	2007 £
Turnover	1,093,571	1,061,640
Cost of sales	(11,238)	(12,788)
Gross profit	1,082,233	1,048,852
Operating expenses	(723,722)	(692,487)
Other operating income	4,140	3,991
Interest receivable	1,312	1,052
Net profit for the year	364,063	361,408
Gift Aid to Hospice	(363,000)	(361,000)
Tax on profit on ordinary activities	(747)	(414)
Retained profit/(loss)	316	(6)
The aggregate of the assets, liabilities and funds was		
Assets	190,900	154,519
Liabilities	(189,928)	(153,863)
Funds	972	656

13 Analysis of group net assets between funds at 31st March 2008

	Restricted Funds £	Unrestricted Funds £	Total £
Fund balances at 31st March 2008 are represented by			
Tangible fixed assets	193,765	903,366	1,097,131
Current assets	64,935	1,193,636	1,258,571
Current liabilities	-	(750,467)	(750,467)
	258,700	1,346,535	1,605,235

The Five Towns Plus Hospice Fund Limited (A Company Limited by Guarantee)

Notes to the Financial Statements for the year ended 31st March 2008

14 Restricted funds

	At 1 April 2007 £	Income £	Expenditure £	Transfer to unrestricted £	At 31 March 2008 £
Specific donations for capital	30,204	26,320	-	(43,511)	13,013
Specific donations for running costs	3,868	8,922	(6,752)	-	6,038
Capital Appeal for extension Phase 2	17,632	30,010	(1,758)	-	45,884
Department of Health Dignity in Care grant	-	193,765	-	-	193,765
	<u>51,704</u>	<u>259,017</u>	<u>(8,510)</u>	<u>(43,511)</u>	<u>258,700</u>
	=====	=====	=====	=====	=====

The Specific donations fund represents donations to the Hospice for the purchase of specific fixed assets or for specific running costs. Fixed assets purchased in the year are transferred out of restricted funds. Grants received in the year include:

- £15,000 from the Hospice and Charities Darts and Domino League towards a new minibus,
- £2,825 Macmillan grant for Self Help Group activities,
- Grants from trusts, Castleford Rotary Club and individual donations totalling £4,993 towards the new garden

By agreement with the editor, £1,758 of the money raised by the Pontefract & Castleford Express for the capital appeal has been used to purchase fountains for the new garden.

The Department of Health Dignity in Care grant is a capital grant for improving the hospice environment for older people. The total grant was £298,175 to refurbish the reception, lymphoedema clinic and public corridors and was paid in full in the year ended 31st March 2008. Due to various delays the project was not complete at the year end. Only the amount of the grant which has been spent is identified above. The balance is shown as deferred income in note 11 and noted as a capital commitment in note 16.

15 Other Financial commitments

At 31st March 2008, the group was committed to making the following payments under non cancellable operating leases in the year to 31st March 2008:

	Land and Buildings		Other	
	2008 £	2007 £	2008 £	2007 £
Operating leases which expire -				
Within one year	23,000	13,417	180	4,247
Within two to five years	48,800	48,217	2,866	473
After five years	62,250	56,250	1,238	-
	<u>134,050</u>	<u>117,884</u>	<u>4,284</u>	<u>4,720</u>
	=====	=====	=====	=====

The Five Towns Plus Hospice Fund Limited

(A Company Limited by Guarantee)

Notes to the Financial Statements *for the year ended 31st March 2008*

16 Capital commitments

At 31st March 2008 the trustees had authorised but not contracted for capital expenditure of £Nil (2007 £Nil) The trustees had authorised and contracted for capital expenditure of £110,000 (2007 £Nil)

17 Company Status

The Charity is a company limited by guarantee At 31st March 2008 the number of members was 20 (2007 30) In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity