

Company Number: 01797810  
Charity Number: 514999

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

**Trustees' Report and Financial Statements**  
**Year ended 31 March 2018**

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# **The Five Towns Plus Hospice Fund Limited**

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# The Five Towns Plus Hospice Fund Limited

## Charity information

Charity name	The Five Towns Plus Hospice Fund Limited
Working name	The Prince of Wales Hospice
Charity registration number	514999
Company registration number	01797810
Registered office	The Prince of Wales Hospice, Halfpenny Lane, Pontefract, WF8 4BG

## Trustees

Mr G Tollefson (Chairman)	Finance and Facilities (resigned 30 October 2017)
Mr C L O Allen	Fundraising
Mrs S J Beddow	Facilities and Human Resources (resigned 26 March 2018)
Canon R Cooper	Clinical Governance and Facilities (resigned 2 December 2017)
Mrs C M Dransfield	Fundraising and Clinical Governance
Mrs A Gleed MBE	Facilities
Mr D Hayes	Clinical Governance, Fundraising and Retail
Mr B S Parkes (Deputy Chairman)	Finance
Mr A C Wearing (Treasurer)	Fundraising and Human Resources (resigned 30 October 2017)
Mr R M Whitaker	Retail
Mr S Rigby	Clinical Governance and Human Resources
Dr R E Roche	

## Senior management team

Mr D M Stewart	Chief Executive and Company Secretary
Mrs A J Darley	Deputy Chief Executive and Facilities Manager
Mrs J E Schofield	Clinical Services Manager
Mrs C Cook	Head of Finance (left 15 June 2018)
Ms L J Bennett	Fundraising and Marketing Manager
Dr H A Pearse	Medical Director

## Auditors

Garbutt & Elliott Audit Limited  
Chartered Accountants  
Triune Court, Monks Cross Drive  
York, YO32 9GZ

## Bankers

Yorkshire Bank plc  
Ropergate, Pontefract, WF8 1LQ

COIF Charity Fund  
Senator House, 85 Queen Victoria Street, London, EC4V 4ET

## Solicitors

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

# **The Five Towns Plus Hospice Fund Limited**

## **Report of the Trustees for the year ended 31 March 2018**

The trustees present their annual report together with the audited consolidated financial statements of the charity and its subsidiaries for the year ended 31 March 2018.

The reference and administrative information set out on page 1 forms part of this report. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

### **Structure, governance and management**

The Company is limited by guarantee and is governed by its Memorandum and Articles of Association as adopted at its Annual General Meeting on 12 November 2015. It is registered as a charity with the Charity Commission. The Five Towns Plus Hospice Shops Ltd, The Caring Kitchen Limited and The Five Towns Plus Hospice Trading Limited are wholly owned subsidiaries.

The Directors of the Company are listed on page 1 and are known as the Board of Trustees. Trustees who were such when the Memorandum and Articles of Association were adopted at its Annual General Meeting on 12 November 2015 must seek re-appointment at the Annual Trustees' Meeting at the end of each three-year period. All trustees appointed after that date may serve no more than three terms of office of three years each (either consecutively or in total) up to the age of 75 unless they are invited to continue by all (i.e., 100%) of the remaining trustees.

Four trustees either did not seek re-appointment during the year or resigned. A campaign to recruit new trustees was therefore launched in May 2018.

The trustees meet at least four times a year. There are Board sub-committees covering audit and finance, clinical governance, corporate services, human resources and income generation, all of which report to the Board. Appropriate members of the senior management team are present at the meetings of the Board sub-committees. A Chief Executive is appointed by the trustees to manage the day-to-day operations of the charity. To facilitate the effective operation of the Hospice and its subsidiary companies, the Chief Executive has delegated authority for all operational matters.

The Board continued to consider its composition and effectiveness. The Hospice has a full induction programme for newly appointed trustees. Trustees are encouraged to attend appropriate external training events when these will facilitate the undertaking of their role.

The Charity is a member of Hospice UK, with which the National Council for Palliative Care merged during the year. Members of the senior management team regularly meet with their counterparts in other hospices in Yorkshire and the Humber to support each other and to share good practice.

### **Objects and activities**

The objects of the Charity, as set out in the Articles of Association adopted on 12 November 2015, are:

- to promote the relief of sickness by such charitable means as the Charity shall from time to time think fit and to provide support to the families and carers of those in need by reason of ill health;
- and to relieve those in need by reason of ill health and/or age through the establishment and maintenance of a care home with nursing.

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2018 (continued)

The principal activity of the Charity is the provision of effective, supportive and professional hospice-based specialist palliative care. Palliative care is a key component of end-of-life care which is defined by the National Institute for Health and Care Excellence (NICE) as:

*'The active holistic care of patients with advanced progressive illness. Management of pain and other symptoms and provision of psychological, social and spiritual support is paramount. The goal of palliative care is achievement of the best quality of life for patients and their families. Many aspects of palliative care are also applicable earlier in the course of the illness in conjunction with other treatments.'*

Palliative care aims to:

- affirm life and regard dying as a normal process
- provide relief from pain and other distressing symptoms
- integrate the psychological and spiritual aspects of patient care
- offer a support system to help patients live as actively as possible until death
- offer a support system to help the family cope during the patient's illness and in their own bereavement

Specialist palliative care encompasses hospice care (including inpatient hospice care, day therapy and hospice at home) as well as a range of other specialist advice, support and care such as that provided by hospital palliative care teams. Specialist palliative care should be available on the basis of need, not diagnosis.

The trustees have had regard to the guidance provided by the Charity Commission on public benefit. In providing care as above the Hospice is providing a public benefit in line with its prime object. The Hospice will consider referrals of any patients from any medical or clinical practitioner or other clinical organisation and will admit all such referred patients unless (a) a clear need for specialist palliative care has not been established, (b) it would be detrimental to a patient's well-being or (c) there were no beds or Day Therapy/Outreach places available. The Hospice does not charge patients or their relatives or carers for any of its services. Although the Hospice was set-up to cater for the needs of the people of eastern Wakefield (or the 'Five Towns'), it will accept patient referrals from anywhere in the UK and will consider those referrals in the same way and against the same criteria as local referrals.

In furtherance of the second object, the Company had obtained planning permission for the construction of a care home with nursing on the same site as the Hospice but, following a rigorous cost appraisal of building and running such an establishment, has decided to leave this development in abeyance.

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 successfully registered with the Care Quality Commission (CQC) in 2010 and is regulated by it. The Hospice was inspected by the CQC in late 2016, when it was accorded an overall rating of, "good". Systematic programmes of clinical audit and medical and clinical staff education continue to support ongoing improvements in professional care.

The Charity's objectives for 2018/19 are:

- (a) to strengthen the Board through the recruitment of new trustees, and to introduce a new induction process for them;
- (b) to continue to work with the Wakefield district end of life care project board to ensure that the mooted alliance of providers is established in ways that advantage those requiring end of life and specialist palliative care and do not disadvantage the Hospice; and
- (c) in the event of the creation of the alliance at (b), to develop a three year strategy for the Hospice.

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2018 (continued)

### Achievements and performance

The charity's objectives for 2017/18 were:

- (a) *to pave the way to return to a financial surplus in 2018/19 by increasing income generation creatively and diligently, and by way of the prudent management of resources.* Achieved by way of legacy income, a 37% increase in fundraised income, a 9.5% increase in retail profit and prudent staff vacancy management and efficient management practices;
- (b) *to restructure the Day Therapy service so that it better reflects patient need and is delivered more cost-effectively. This will include expanding its outreach provision.* The Hospice expanded its Day Therapy outreach service so that there were three centres – Badsworth, Airedale and Altofts – in the year, with occasional themed days in the Hospice;
- (a) *to improve the performance of the Board of Trustees and, therefore, the governance of the Hospice, through the introduction of revised role profiles, more and better training and the introduction of an appraisal process for trustees.* Revised role profiles were introduced during the year, as was an appraisal system. Trustees engaged in a facilitated skills audit to ensure that the recruitment of new trustees would be properly targeted to the benefit of the Board and the Hospice.

A snapshot of the Hospice's clinical performance for the year is given below, with comparisons with previous years:

	2017/18	2016/17	2015/16
<b>Incare</b>			
Admissions	240	204	257
Average length of stay (days)	11.4	9.2	11.2
Occupancy	82%	69%	86%
<b>Day Therapy\Outreach</b>			
Referrals	93	168	188
Total attendances	319	886	1,156
Occupancy	42%	55%	73%
<b>Lymphoedema</b>			
Total number of appointments kept	1,654	835	1,145
New referrals	213	195	167

Admissions were up on the previous year as the Incare unit was closed for almost three months for refurbishment; however, occupancy in that year remained relatively high because the number of available beds was reduced before and after the building works. The lower attendances in Day Therapy is a reflection of our 'outreach' approach to service delivery.

The Lymphoedema clinic continued to operate on three sites – Pontefract, Wakefield and Dewsbury. The increased number of lymphoedema appointments was a result of the increased capacity and capability of that team.

# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2018 (continued)

The Hospice pursued a broad spectrum of fundraising opportunities and initiatives, including fundraising from trusts, companies, community groups, individuals and the organisation of fundraising events. In 2017/18 the Hospice continued to be a member of the Fundraising Regulator. The Hospice remained committed to compliance with the fundraising Code of Practice and upheld the commitments of the Fundraising Promise.

### Financial review

The charity's financial health at the year end was much stronger than in the previous year following the high levels of legacies received.

The Group net income on the Consolidated Statement of Financial Activities of £489,895 (2017: deficit of £162,916) comprises a surplus of £504,101 (2017: surplus of £159,391) on unrestricted funds and a deficit of £14,206 (2017: deficit of £322,307) on restricted funds.

Restricted income includes £201,247 (2017: £389,043) in donations for running costs, to refurbish and refit the Hospice's laundry, a new energy management system and patient equipment.

Legacy income, which is subject to significant year-on-year fluctuations, increased by £760,962.

Shops' income was £18,143 higher than 2016/17, whilst costs also fell by £18,023.

The subsidiary company, The Caring Kitchen Limited, runs a café business in Pontefract Market and, following increased competition in 2016/17, made a trading loss in 2017/18. At the year end, the directors were considering options to substantially restructure the operation, with a decision subsequently being made to close the café on the grounds that it was not financially viable. These accounts show an overall pre-tax loss of £35,388 for the café, which includes a goodwill impairment and redundancy and closure costs.

As no new goods were purchased during the year other than Christmas cards and fundraising merchandise, trading income remained below the limit for charities and the new subsidiary trading company was not utilised as planned.

Total funding from the NHS was again reduced by £88,910 as the Wakefield District Clinical Commissioning Group refused to reinstate the 50% reduction in funding for out of hours admissions unilaterally imposed the previous year.

Total expenditure on charitable activities was £2,427,615 (2017: £2,383,679). We understand that we operate in a competitive market for quality employees and that attracting and retaining such people is influenced by salary levels along with other factors. Although salaries generally were not increased in 2017/18, increases in specific areas were implemented to ensure market competitiveness and this led to an overall 10% increase in staff costs.

### Fundraising review

All fundraising activity on behalf of the Hospice was undertaken by Hospice staff or registered Hospice volunteers, except the following:

1. the Hospice was one of sixteen hospices who worked with Local Hospice Lottery to run a weekly lottery game. Through this partnership, we aimed to develop a regular stream of income for our care, whilst providing local people with a way to support the Hospice and a chance to win prizes in a weekly draw. In 2017/18 the Hospice received payments totaling £125,000 from Local Hospice Lottery.

Promotional activity included telemarketing, door to door canvassing and mailing. The Hospice signed off all literature and telephone guidance, listened to samples of telephone calls and monitored the work of door-to-door canvassers in person, through remote tracking and through their field sales manager.

# **The Five Towns Plus Hospice Fund Limited**

## **Report of the Trustees for the year ended 31 March 2018 (continued)**

1. Roma Fundraising sold advertising space in Hospice publications, business to business, with a portion of the proceeds being passed as a donation to the Hospice, as well as the publications being provided free of charge. The company is experienced in the public and not for profit sector and endorsed by a number of charities. We were able to supply an exclusion list of businesses we didn't want approached, to work in partnership with them to develop their solicitation statement, ensuring advertisers were clear about the contribution they were making to the Hospice.

The charity received seven complaints related to fundraising activity in the year 2017/18, one of which related to activity carried out by Local Hospice Lottery.

The Hospice and Local Hospice Lottery fundraisers continued their commitment to not knowingly soliciting support from vulnerable people, adhering to a documented course of action should it become clear that someone is vulnerable.

During the year, the Hospice received a routine inspection from the Gambling Commission, with which it holds an Operating Licence for the conduct of gambling-related fundraising activities such as raffles. No issues were identified which required the Hospice to evidence follow-up action, though it was a good opportunity to review internal control procedures and money-laundering policy.

Preparations were made for the introduction of GDPR data protection legislation in May 2018, including small amendments to the processing of personal data, and a required upgrade to our fundraising database to allow for a more complete recording of supporters' marketing preferences.

The Hospice's trustees greatly appreciate the hard work, dedication and enthusiasm of staff and volunteers throughout the year, and are grateful to them for their efforts. Volunteers helped in the Hospice during the year - for example on Incare and in Day Therapy and Outreach; fundraising; the garden and allotment; the kitchen and housekeeping; and as receptionists and with administration. In addition, volunteers helped in our charity shops, working on the till, sorting donations, checking electrical goods and assisting the van drivers to collect and deliver furniture.

The trustees are very grateful for corporate and community support of the Hospice in donations of money, legacies, support of our events and shops. The Hospice is reliant on individuals, companies and organisations in the community raising money; our own events and activities alone could never raise enough funds to provide Hospice care.

### **Pay policy for senior staff**

Remuneration of key staff is decided by a Board committee comprising the Chair, the Vice Chair and the Chair of the HR Committee

### **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. At 31 March 2018 reserves, which are unrestricted funds excluding funds invested in fixed assets, stood at £987,972 (2017: £451,961) (note 21). This represented four months' salary costs.

# **The Five Towns Plus Hospice Fund Limited**

## **Report of the Trustees for the year ended 31 March 2018 (continued)**

### **Risk management**

Strategic risks are reviewed annually by the Board of Trustees and by the Hospice's senior management team at each of its meetings. The Board of Trustees has agreed actions to mitigate these risks.

The responsibility for reviewing these risks rests with relevant Board sub-committees and nominated senior managers. The Hospice's senior management team reviews all risks and agreed mitigating actions at its monthly meetings with a view to proposing changes to the Board and the relevant sub-committees.

The four main areas of risk are:

- Reduced funding (from fundraising, retail or NHS grants)
- Loss of key staff (e.g. consultants in palliative medicine)
- Difficulty in recruiting or retaining professional staff
- Loss of premises or facilities (e.g. IT)

### **Trustees' responsibilities for the financial statements**

The charity trustees, who are also directors for the purposes of company law, are responsible for preparing a trustees' annual report and financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue to operate.

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

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

### **Statement as to disclosure of information to auditors**

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

- there is no relevant information, being information needed by the auditor in connection with preparing their report, of which the group's auditor is unaware; and
- the trustees, having made enquiries of fellow directors and the group's auditor that they ought to have individually taken, have each taken all steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the group's auditor is aware of that information.

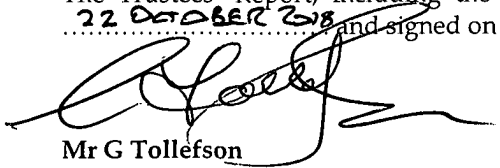
# The Five Towns Plus Hospice Fund Limited

## Report of the Trustees for the year ended 31 March 2018 (continued)

### Auditors

A resolution proposing that Garbutt & Elliott Audit Limited be re-appointed as auditor of the charity will be put to the Annual General Meeting.

The Trustees' Report, including the Strategic Report was approved by the Board of Trustees on 22 OCTOBER 2018 and signed on its behalf by:



Mr G Tollefson  
Chairman

# The Five Towns Plus Hospice Fund Limited

## Independent Auditor's Report to the Members and Trustees of The Five Towns Plus Hospice Fund Limited

### Opinion

We have audited the financial statements of The Five Towns Plus Hospice Fund Limited (the "parent charity") and its subsidiaries (the "group") for the year ended 31 March 2018. 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 parent charitable company's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### Basis for opinion

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

### Conclusions relating to going concern

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

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

### Other information

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

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

We have nothing to report in this regard.

# The Five Towns Plus Hospice Fund Limited

## Independent Auditor's Report to the Members and Trustees of The Five Towns Plus Hospice Fund Limited

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

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the strategic report and the directors' report) 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 Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual 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 or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

### Responsibilities of the trustees

As explained more fully in the trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and parent 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 Charity or to cease operations, or have no realistic alternative but to do so.

### Our responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)]. This description forms part of our auditor's report.

# The Five Towns Plus Hospice Fund Limited

## Independent Auditor's Report to the Members and Trustees of The Five Towns Plus Hospice Fund Limited

### Use of Our Report

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



Alan Sidebottom  
Senior Statutory Auditor

23.11.18.

For and on behalf of Garbutt & Elliott Audit Limited  
Statutory Auditor

Triune Court  
Monks Cross Drive  
York  
YO32 9GZ

# The Five Towns Plus Hospice Fund Limited

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

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018	Unrestricted Funds	Restricted Funds £	Total 2017
<b>INCOME FROM:</b>							
<i>Donations and legacies:</i>							
Donations	2	777,507	201,247	978,754	662,105	389,043	1,051,148
Legacies	2	850,392	-	850,392	89,430	-	89,430
<i>Income from charitable activities:</i>							
NHS grants for palliative care	4	850,479	-	850,479	839,623	-	839,623
<i>Income from other trading activities:</i>							
Shops	3	1,280,974	-	1,280,974	1,262,831	-	1,262,831
Café	3	62,761	-	62,761	70,894	-	70,894
Fundraising events and lottery		239,904	-	239,904	198,793	-	198,793
Investment income		1,663	-	1,663	5,769	-	5,769
<i>Other income:</i>							
Profit on disposal of fixed assets		-	-	-	478	-	478
Other income		26,563	-	26,563	20,753	-	20,753
<b>TOTAL INCOME</b>		<b>4,090,243</b>	<b>201,247</b>	<b>4,291,490</b>	<b>3,150,676</b>	<b>389,043</b>	<b>3,539,719</b>
<b>EXPENDITURE ON:</b>							
<i>Costs of raising funds:</i>							
Costs of raising donations, legacies and fundraising	7	412,391	2,514	414,905	366,505	1,928	368,433
Shops	3, 7	852,381	11,035	863,416	881,439	-	881,439
Café	3, 7	98,149	-	98,149	72,614	-	72,614
Trading Company	7	25	-	25	5	-	5
		<b>1,362,946</b>	<b>13,549</b>	<b>1,376,495</b>	<b>1,320,563</b>	<b>1,928</b>	<b>1,322,491</b>
<i>Expenditure on charitable activities:</i>							
Hospice inpatient unit	7	1,848,118	57,519	1,905,637	1,787,085	9,464	1,796,549
Day Therapy and carer support	7	121,312	22,656	143,968	193,627	11,509	205,136
Lymphoedema clinic	7	131,274	6,871	138,145	134,760	4,992	139,752
Therapies and other care	7	183,967	55,898	239,865	241,687	555	242,242
		<b>2,284,671</b>	<b>142,944</b>	<b>2,427,615</b>	<b>2,357,159</b>	<b>26,520</b>	<b>2,383,679</b>
<b>TOTAL EXPENDITURE</b>		<b>3,647,617</b>	<b>156,493</b>	<b>3,804,110</b>	<b>3,677,722</b>	<b>28,448</b>	<b>3,706,170</b>
<b>Net income for the year before other recognised gains/(losses) and taxation</b>							
	6	442,626	44,754	487,380	(527,046)	360,595	(166,451)
<b>Taxation</b>							
		2,678	-	2,678	-	-	-
Realised and unrealised (loss)/gain on investments	18	(163)	-	(163)	3,535	-	3,535
<b>Net income/(expenditure) for the year</b>		<b>445,141</b>	<b>44,754</b>	<b>489,895</b>	<b>(523,511)</b>	<b>360,595</b>	<b>(162,916)</b>
Transfers between funds	24	58,960	(58,960)	-	682,902	(682,902)	-
<b>Net movement in funds</b>		<b>504,101</b>	<b>(14,206)</b>	<b>489,895</b>	<b>159,391</b>	<b>(322,307)</b>	<b>(162,916)</b>
<b>Total funds brought forward</b>		<b>2,422,303</b>	<b>82,599</b>	<b>2,504,902</b>	<b>2,262,912</b>	<b>404,906</b>	<b>2,667,818</b>
<b>Total funds carried forward</b>	<b>21, 24</b>	<b>2,926,404</b>	<b>68,393</b>	<b>2,994,797</b>	<b>2,422,303</b>	<b>82,599</b>	<b>2,504,902</b>

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

All income and expenditure derives from continuing activities of the group.

# The Five Towns Plus Hospice Fund Limited

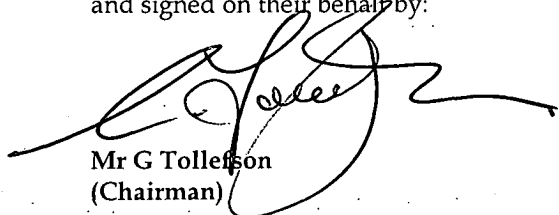
## Consolidated Balance Sheet as at 31 March 2018

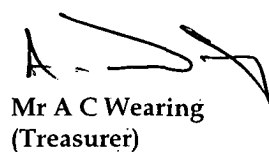
	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	12	-	-	30,800	
Tangible assets	13	1,938,432		1,951,042	
		1,938,432		1,981,842	
<b>Current assets</b>					
Stock	16	15,613		12,909	
Debtors	17	302,034		172,034	
Investments	18	17,031		17,194	
Cash at bank and short term deposits		944,504		563,150	
		1,279,182		765,287	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	19	222,817		239,549	
<b>Net current assets</b>			1,056,365		525,738
<b>Total assets less current liabilities</b>			2,994,797		2,507,580
<b>Provisions for liabilities</b>					
Deferred taxation	20	-		(2,678)	
<b>Total net assets</b>			2,994,797		2,504,902

### The funds of the Charity:

Restricted income funds	24	68,393	82,599
Unrestricted funds		2,926,404	2,422,303
<b>Total Charity funds</b>		2,994,797	2,504,902

The financial statements on pages 12 to 35 were approved by the trustees on 22 October 2018 and signed on their behalf by:

  
Mr G Tollefson  
(Chairman)

  
Mr A C Wearing  
(Treasurer)

Company Registration Number 01797810

# The Five Towns Plus Hospice Fund Limited

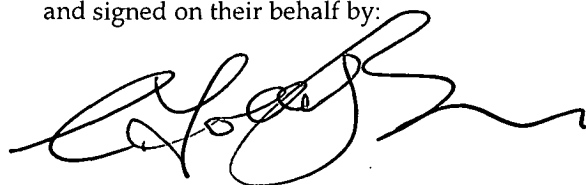
## Parent Company Balance Sheet as at 31 March 2018

	Notes	2018		2017	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	14		1,936,236		1,947,200
Investments	15		202		202
			1,936,438		1,947,402
<b>Current assets</b>					
Stock	16	15,283		12,579	
Debtors falling due after one year	17	-		41,600	
Debtors falling due within one year	17	302,034		177,996	
Investments	18	17,031		17,194	
Cash at bank and short term deposits		937,823		558,094	
		1,272,171		807,463	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	19	250,241		274,220	
<b>Net current assets</b>			1,021,930		533,243
<b>Total assets less current liabilities</b>			2,958,368		2,480,645
<b>Total net assets</b>			2,958,368		2,480,645

### The funds of the Charity:

Restricted income funds	24	68,393	82,599
Unrestricted funds		2,889,975	2,398,046
		2,958,368	2,480,645

The financial statements on pages 12 to 35 were approved by the trustees on 22 October 2018 and signed on their behalf by:



Mr G Tollefson  
(Chairman)



Mr A C Wearing  
(Treasurer)

Company Registration Number 01797810

# The Five Towns Plus Hospice Fund Limited

## Statement of Consolidated Cash Flows as at 31 March 2018

	2018 £	2017 £
<b>Net cash provided by:</b>		
Operating activities	596,029	123,195
<b>Cash flows from investing activities:</b>		
Dividends and interest from investments	1,663	5,769
Proceeds from the sale of tangible fixed assets	-	6,500
Purchase of tangible fixed assets	(216,338)	(751,070)
<b>Net cash used in investing activities</b>	<b>(214,675)</b>	<b>(738,801)</b>
<b>Change in cash and cash equivalents in the year</b>	<b>381,354</b>	<b>(615,606)</b>
Cash and cash equivalents at the beginning of the year	563,150	1,178,756
Cash and cash equivalents at the end of the year	944,504	563,150

### Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2018 £	2017 £
Net income/ (expenditure) for the year (as per the statement of financial activities)	489,895	(162,916)
<b>Adjustments for:</b>		
Depreciation charges	224,922	180,123
Amortisation of goodwill	4,400	4,400
Impairment of goodwill	26,400	-
Unrealised loss/ (gain) on investment	163	(3,535)
Dividends and interest from investments	(1,663)	(5,769)
Loss/ (profit) on disposal of tangible fixed assets	4,026	(478)
(Increase)/ decrease in stock	(2,704)	30,907
(Increase)/ decrease in debtors	(130,000)	75,044
(Decrease)/ increase in creditors	(16,732)	5,419
(Decrease) in provisions	(2,678)	-
<b>Net cash provided by operating activities</b>	<b>596,029</b>	<b>123,195</b>

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018

### 1 Accounting policies

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

#### *Company information*

The Five Towns Plus Hospice Fund Limited is a Company Limited by Guarantee and is also a registered charity. The registered office is The Prince of Wales Hospice, Halfpenny Lane, Pontefract, WF8 4BG.

Each member of the company has undertaken to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of it being wound up while he or she is a member, or within one year after he or she ceases to be a member.

#### *Basis of preparation*

The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) ("Charities SORP (FRS 102)"), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

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

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS 102 as follows:

- Exemption from disclosing the carrying amounts of each category of financial assets and financial liabilities at the reporting date as required by section 11.41 of FRS 102.
- Exemption from presenting a statement of cash flows as a primary statement to the financial statements.

#### *Going concern*

The trustees have prepared financial projections, taking into consideration the current economic climate and its potential impact on the sources of income and planned expenditure. They have a reasonable expectation that adequate financial resources are available to enable the charity to continue in operational existence for the foreseeable future, and have adequate contingency plans in the event that income streams are reduced. Consequently the financial statements have been prepared on the basis that the charity is a going concern.

The trustees consider that there are no material uncertainties about the group's ability to continue as a going concern. With regard to the future, the most significant areas of uncertainty are the level of support of Wakefield CCG and the level of donation income, which needs to be increased each and every year and is covered in more detail in the trustees' annual report.

At the year end, the directors believe that there are material uncertainties about The Caring Kitchen Limited's ability to continue as a going concern, and therefore its accounts have been prepared on the breakup basis with the appropriate accounting adjustments made.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 1 Accounting policies (continued)

#### *Group financial statements*

The financial statements consolidate the results of the charity and its wholly owned subsidiary companies The Five Towns Plus Hospice Shops Limited, The Five Towns Plus Hospice Trading Limited and the Caring Kitchen Limited on a line by line basis.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The amount of the surplus for the year dealt with within the charity's Financial Statements is disclosed in note 5.

#### *Income*

Income is recognised when the charity has entitlement to the funds, any performance conditions relating to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

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

Donations, grants and gifts are recognised when receivable. Income from Gift Aid tax reclaims is recognised for any donations with relevant Gift Aid declarations recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

Income from NHS service level agreements, government and other grants, whether "capital" or "revenue" grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

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

For legacies, entitlement is taken on a case by case basis as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made; or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. 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 received in advance for a fundraising event or for a grant relating to the following year is deferred until the criteria for income recognition are met (see note 19).

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

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 1 Accounting policies (continued)

#### *Donated goods, services and facilities*

Donated goods for resale are recognised when the company has control over the item, the receipt of economic benefit from the sale of the item is probable and that economic benefit can be measured.

Donated services or facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably. In accordance with Charities SORP (FRS 102), the time of volunteers in the hospice and the charity shops is not recognised. Refer to the trustees' annual report for more information about their contribution.

Donated professional services and facilities are included in income at the estimated value of the gift to the charity when received, based on the amount that the charity would have been prepared to pay for these services or facilities had it been required to purchase them; a corresponding amount is then recognised in the expenditure in the period of receipt. Donated fixed assets are similarly taken to income at the value to the charity with the other entry being capitalised in fixed assets.

#### *Expenditure*

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

1. Costs of raising funds comprise fundraising costs incurred in seeking donations, grants and legacies; costs of fundraising activities including commercial trading by the charity shops and cafe and their associated support costs. Fundraising costs do not include the costs of disseminating information or support of the charitable activities.
2. Expenditure on charitable activities includes the costs of providing specialist palliative care and support, research and other educational activities undertaken to further the purposes of the charity, and their associated support costs.
3. Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance, finance and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. Since 1 April 2016 the Hospice has been able to recover most of the VAT levied on non-business expenses; irrecoverable VAT on fundraising is charged as a cost within fundraising expenses and the remainder is included in support costs.

Support costs are allocated to each of the activities based on staff headcount. More detail on the analysis and basis of allocation is given in note 8 to the financial statements.

#### *Staff costs*

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 1 Accounting policies (continued)

#### *Pensions*

Employees of the group are entitled to join The Prince of Wales Hospice Group Personal Pension Plan, which is a defined contribution 'money purchase' scheme. The charity contribution is restricted to the contributions disclosed in note 9. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included with the associated staff costs and allocated therefore to raising funds, charitable activities, support and governance costs and charged to the unrestricted funds of the charity.

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. As explained in note 26 the scheme is a multi-employer scheme not designed to identify the assets and liabilities attributable to the Charity, so in accordance with FRS102 the scheme is accounted for as a defined contribution scheme.

2 employees have their own defined contribution 'money purchase' pension plans into which the group pays between 5% and 7% of salary. There were no outstanding contributions at the year end. The costs of the defined contribution scheme are included with the associated staff costs.

#### *Operating leases*

Operating leases are recognised over the period of which the lease falls due. Benefits received and receivable as an incentive to sign an operating lease together with rentals due are charged on a straight line basis over the period of the lease.

#### *Fund accounting*

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose.

Restricted funds are donations which the donor has specified are to be used solely for a particular area of the charity's work or for purchases of specific assets for use by the charity.

#### *Intangible fixed assets*

Goodwill, being the amount paid in connection with the acquisition of a business in 2014, is being amortised evenly over its estimated useful life of ten years.

Each year, the profitability of the operations relating to this acquisition is reviewed for potential impairments. If the recoverable amount of the goodwill is deemed to be less than the carrying amount of the goodwill, an impairment loss is recognised.

#### *Tangible fixed assets*

All assets costing more than £300 or part of a project costing more than £300 in total are capitalised at their historical cost when purchased including any incidental costs of acquisition. The limits for capitalisation are lower in the trading subsidiaries.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 1 Accounting policies (continued)

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

Freehold land and buildings	2% or 5% on cost
Improvements to short leasehold land and buildings	Period of lease
Motor vehicles less than four years old	20% or 25% on cost
Motor vehicles more than four years old	25% or 50% on reducing balance
Fixtures, fittings and equipment – Charity	25%, 20% or 15% of cost
Fixtures, fittings and equipment – Trading subsidiaries	20% on cost

#### *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 market price, except for shares in trading subsidiaries which are carried at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the SOFA as they arise. Realised gains and losses are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired during the 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 gains and losses are combined in the SOFA.

#### *Stock*

Stock of new goods is included at the lower of cost and net realisable value.

It is impractical to estimate the fair value of goods donated for sale in the charity's shops due to the high volume, low value and agent arrangements for the purposes of retail gift-aid. The value of these goods to the charity is instead recognised when they are sold in the shops.

#### *Financial instruments*

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

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

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Bank overdrafts are shown within borrowing in current liabilities.

#### *Debtors*

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 1 Accounting policies (continued)

#### *Creditors, loans and provisions*

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

Financial liabilities are derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

#### *Taxation*

The charitable company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

The trading subsidiaries are not exempt from taxation. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

#### *Critical accounting estimates and judgements*

In the application of the group'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 experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

#### *Critical estimates*

##### **Legacies**

Legacies are recognised as income when probate has been granted, the charity has established its entitlement to the funds and where sufficient information is available to allow it to measure its entitlement.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 2 Income from donations and legacies

	Group	
	2018	2017
	£	£
<b>Unrestricted donations and legacies</b>		
Individuals	530,918	437,628
Donations and Gift Aid from shop sales on an agency basis	72,043	65,574
Charitable trusts	49,020	44,740
Corporate donors	125,526	114,163
Legacies	850,392	89,430
	<b>1,627,899</b>	<b>751,535</b>
<b>Restricted donations</b>		
Individuals	5,442	6,872
Charitable trusts	149,195	379,525
Corporate donors	46,610	2,646
	<b>201,247</b>	<b>389,043</b>
<b>Total donations and legacies</b>	<b>1,829,146</b>	<b>1,140,578</b>

### 3 Income from other trading activities

	2018	2017
	£	£
<b>Shops</b>		
Income from the sale of donated goods	1,269,173	1,242,012
Income from the sale of bought in goods	7,767	16,219
Other retail income	4,034	4,600
<b>Total income from shops</b>	<b>1,280,974</b>	<b>1,262,831</b>
Cost of buying in goods	5,484	38,489
Staff costs	500,974	459,226
Property costs	160,304	137,965
Other costs	196,654	245,759
<b>Total expenditure</b>	<b>863,416</b>	<b>881,439</b>

All shops income in both the current and the previous year related to unrestricted funds.

	2018	2017
	£	£
<b>Café - The Caring Kitchen Limited</b>		
Income from café sales	62,761	70,894
<b>Total income from the café</b>	<b>62,761</b>	<b>70,894</b>
Cost of buying in food and drink	13,930	14,345
Staff costs	30,360	34,749
Property costs	17,643	13,551
Other costs	36,069	9,788
Loan interest	147	181
<b>Total expenditure</b>	<b>98,149</b>	<b>72,614</b>

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018

### 4 Income from charitable activities

	Charity and Group	
	2018	2017
	£	£
<i>Grants from NHS Wakefield District Clinical Commission Group:</i>		
Core funding grants	600,000	600,000
Grant to provide a lymphoedema clinic for the Wakefield District	96,900	96,900
Grant to enable 24 hour admissions 365 days per year	100,000	102,838
Grant to fund costs of System1	6,846	5,846
<b>Total grants</b>	<b>803,746</b>	<b>805,584</b>
Fees for training medical and social work students	22,733	13,039
Fees for lymphoedema clinic in North Kirklees	24,000	21,000
	<b>850,479</b>	<b>839,623</b>

### 5 Financial performance of the charity

The consolidated Statement of Financial Activities includes the results of the charity's wholly owned subsidiaries which comprise retail and café operations.

The summary financial performance of the charity alone is:

	2018	2017
	£	£
Income	4,228,731	3,468,825
Costs of raising funds	(1,278,321)	(1,249,872)
Expenditure on charitable activities	(2,427,617)	(2,383,679)
<b>Net income/(expenditure)</b>	<b>522,793</b>	<b>(164,726)</b>
Investment (losses)/gains	(163)	3,535
Intercompany loan bad debt provision	(44,907)	-
Total funds brought forward	2,480,645	2,641,836
<b>Total funds carried forward</b>	<b>2,958,368</b>	<b>2,480,645</b>
<b>Represented by:</b>		
Restricted income funds	68,393	82,599
Unrestricted income funds	2,889,975	2,398,046
	<b>2,958,368</b>	<b>2,480,645</b>

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 6 Group net income

	2018 £	2017 £
This is stated after charging:		
Auditor's remuneration - for audit	5,915	6,490
- for other services	1,185	760
Operating lease rentals:		
Land and buildings	165,419	164,552
Plant and equipment	5,645	5,648
Amortisation of purchased goodwill	4,400	4,400
Impairment of purchased goodwill	26,400	-
Depreciation of owned tangible fixed assets	224,922	180,123
Loss/(profit) on tangible fixed assets	4,026	(478)
Trustees' indemnity insurance policy	1,144	1,138

### 7 Analysis of group expenditure

Year ended 31 March 2018	Direct staff costs £	Direct costs £	Support costs £	2018 Total £
Shops costs (Note 3)	428,372	347,557	87,487	863,416
Café costs (Note 3)	30,328	67,821	-	98,149
Trading company costs	-	25	-	25
Fundraising trading	458,700	415,403	87,487	961,590
Fundraising costs	216,195	32,389	166,321	414,905
<i>Costs of raising funds</i>	674,895	447,792	253,808	1,376,495
Hospice inpatient unit	1,055,880	230,848	618,909	1,905,637
Day therapy	89,362	11,531	43,075	143,968
Lymphoedema clinic	79,987	25,125	33,033	138,145
Therapies and other care	157,213	13,943	68,709	239,865
<i>Charitable activities</i>	1,382,442	281,447	763,726	2,427,615
<b>Total</b>	<b>2,057,337</b>	<b>729,239</b>	<b>1,017,534</b>	<b>3,804,110</b>
Year ended 31 March 2017	Direct staff costs £	Direct costs £	Support costs £	2017 Total £
Shops costs (Note 3)	459,226	368,957	53,256	881,439
Café costs (Note 3)	34,749	37,865	-	72,614
Fundraising trading	493,975	406,822	53,256	954,053
Fundraising costs	190,274	21,407	156,757	368,438
<i>Costs of raising funds</i>	684,249	428,229	210,013	1,322,491
Hospice inpatient unit	978,272	117,961	700,316	1,796,549
Day therapy	106,847	18,893	79,396	205,136
Lymphoedema clinic	42,428	42,357	54,967	139,752
Therapies and other care	156,503	4,307	81,432	242,242
<i>Charitable activities</i>	1,284,050	183,518	916,111	2,383,679
<b>Total</b>	<b>1,968,299</b>	<b>611,747</b>	<b>1,126,124</b>	<b>3,706,170</b>

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 8 Analysis of support costs

Year ended 31 March 2018	Establishment £	Management £	Finance and HR £	Governance Costs £	2018 Total £
Fundraising trading	35,833	12,500	38,705	449	87,487
Fundraising costs	82,766	21,377	60,399	1,779	166,321
<i>Cost of raising funds</i>	118,599	33,877	99,104	2,228	253,808
Hospice inpatient unit	415,372	107,281	87,330	8,926	618,909
Day Therapy	28,909	7,467	6,078	621	43,075
Lymphoedema clinic	22,170	5,726	4,661	476	33,033
Therapies and other care	46,113	11,910	9,695	991	68,709
<i>Charitable activities</i>	512,564	132,384	107,764	11,014	763,726
<b>Total</b>	<b>631,163</b>	<b>166,261</b>	<b>206,868</b>	<b>13,242</b>	<b>1,017,534</b>
Year ended 31 March 2017	Establishment £	Management £	Finance and HR £	Governance Costs £	2017 Total £
Fundraising trading	14,139	16,043	22,843	231	53,256
Fundraising costs	103,061	22,004	29,595	2,097	156,757
<i>Cost of raising funds</i>	117,200	38,047	52,438	2,328	210,013
Hospice inpatient unit	460,428	98,304	132,222	9,362	700,316
Day Therapy	52,200	11,145	14,990	1,061	79,396
Lymphoedema clinic	36,138	7,716	10,378	735	54,967
Therapies and other care	53,538	11,431	15,374	1,089	81,432
<i>Charitable activities</i>	602,304	128,596	172,964	12,247	916,111
<b>Total</b>	<b>719,504</b>	<b>166,643</b>	<b>225,402</b>	<b>14,575</b>	<b>1,126,124</b>

Fundraising trading support costs are the total costs incurred by the fundraising subsidiaries except direct costs. All other support costs have been allocated on headcount.

### 9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

	Group		Charity	
	2018 £	2017 £	2018 £	2017 £
Salaries and wages	2,446,062	2,379,905	2,418,328	2,346,697
Social security costs	181,967	178,131	181,409	176,915
Pension costs				
Group Personal Pension Plan	22,423	28,948	22,226	28,676
NHS Pension Scheme	76,942	66,484	76,942	66,484
Other	8,086	8,287	8,086	8,287
<b>Total employment costs</b>	<b>2,735,480</b>	<b>2,661,755</b>	<b>2,706,991</b>	<b>2,627,059</b>

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 9 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel (continued)

Employees earning more than £60,000 per annum:

	Charity and Group	
	2018	2017
	£	£
Between £60,000 and £70,000	-	1
Between £70,000 and £80,000	-	-
Between £80,000 and £90,000	1	-
Between £90,000 and £100,000	1	1

The charity trustees and persons connected with them neither received nor waived any emoluments or benefits during the year (2017: £Nil). No trustee received payment for professional or other services supplied to the charity (2017: £Nil). Travel, telephone and out of pocket expenses amounting to £877 (2017: £329) were reimbursed to 5 trustees (2017: 2).

The key management personnel of the group and the parent charity comprise the trustees and the Senior Management Team, whose names are listed on page 1. The total employee benefits of the key management personnel of the Hospice were £462,621 (2017: £449,936).

### 10 Staff numbers

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
<b>The average number of full-time equivalent employees during the year was:</b>				
Charitable activity	67	57	67	57
Fundraising - including shops and café	27	36	25	34
	<b>94</b>	<b>93</b>	<b>92</b>	<b>91</b>

The monthly number of staff (including part-time and bank staff) during the year was as follows:

Average monthly headcount	135	136	131	133
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### 11 Related party transactions

In 2018 no transactions took place between the Hospice and its wholly owned subsidiary The Five Towns Plus Hospice Shops Ltd as the subsidiary was dormant throughout the year. However on 1 April 2016, the net assets of the subsidiary were hived up to the Hospice at a book value of £41,377.

At 31 March 2018, the Hospice owed the subsidiary £41,377 (2017: £41,377).

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 11 Related party transactions (continued)

In 2018 the following transactions took place between the Hospice and its wholly owned subsidiary The Caring Kitchen Limited:

A repayment of £3,200 (2017: £nil) was made in relation to a formal interest bearing loan from the Hospice to the subsidiary to pay for the purchase of the café business in Pontefract market in 2014. The loan is repayable by way of annual instalments of £3,200 and interest is charged quarterly in arrears. At the year end, the outstanding amount due from the subsidiary to the charity was £41,600 (2017: £44,800).

In addition, a trading balance of £3,907 (2017: £2,778) was owed by the subsidiary to the Hospice.

The activities of the Caring Kitchen were under review at the year end, and post year end the operation was closed. It is therefore unlikely that these balances will be repaid. Both the formal loan and the trading loan have been fully provided and a bad debt expenses recognised in the charity only results.

### 12 Intangible fixed assets - Group

	Purchased Goodwill £
<b>Cost</b>	
1 April 2017	44,000
<b>At 31 March 2018</b>	<b>44,000</b>
<b>Amortisation and impairments</b>	
1 April 2017	13,200
Charge for year	4,400
Impairment	26,400
<b>At 31 March 2018</b>	<b>44,000</b>
<b>Net book value</b>	
<b>At 31 March 2018</b>	<b>-</b>
<b>At 31 March 2017</b>	<b>30,800</b>

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 13 Tangible fixed assets - Group

	Freehold Land and Buildings £	Fixtures and Fittings £	Motor Vehicles £	Total £
<b>Cost</b>				
1 April 2017	2,562,259	1,151,317	127,496	3,841,072
Additions	35,562	148,344	32,432	216,338
Disposals	-	(69,782)	-	(69,782)
<b>At 31 March 2018</b>	<b>2,597,821</b>	<b>1,229,879</b>	<b>159,928</b>	<b>3,987,628</b>
<b>Depreciation</b>				
1 April 2017	938,944	860,440	90,646	1,890,030
Charge for year	108,209	95,663	21,050	224,922
On disposals	-	(65,756)	-	(65,756)
<b>At 31 March 2018</b>	<b>1,047,153</b>	<b>890,347</b>	<b>111,696</b>	<b>2,049,196</b>
<b>Net book value</b>				
<b>At 31 March 2018</b>	<b>1,550,668</b>	<b>339,532</b>	<b>48,232</b>	<b>1,938,432</b>
At 31 March 2017	1,623,315	290,877	36,850	1,951,042

### 14 Tangible fixed assets - Charity

	Freehold Land and Buildings £	Fixtures and Fittings £	Motor Vehicles £	Total £
<b>Cost</b>				
1 April 2017	2,562,259	1,143,086	127,496	3,832,841
Additions	35,562	148,344	32,432	216,338
Disposals	-	(69,782)	-	(69,782)
<b>At 31 March 2018</b>	<b>2,597,821</b>	<b>1,221,648</b>	<b>159,928</b>	<b>3,979,397</b>
<b>Depreciation</b>				
1 April 2017	938,944	856,051	90,646	1,885,641
Charge for year	108,209	94,017	21,050	223,276
On disposals	-	(65,756)	-	(65,756)
<b>At 31 March 2018</b>	<b>1,047,153</b>	<b>884,312</b>	<b>111,696</b>	<b>2,043,161</b>
<b>Net book value</b>				
<b>At 31 March 2018</b>	<b>1,550,668</b>	<b>337,336</b>	<b>48,232</b>	<b>1,936,236</b>
At 31 March 2017	1,623,315	287,035	36,850	1,947,200

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 15 Investments

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
The Five Towns Plus Hospice Shops Limited	-	-	2	2
The Five Towns Plus Hospice Trading Limited	-	-	100	100
The Caring Kitchen Limited	-	-	100	100
	-	-	202	202

#### The Five Towns Plus Hospice Shops Limited

The Hospice holds 2 shares of £1 each in its wholly owned trading subsidiary company The Five Towns Plus Hospice Shops Ltd which is incorporated in England and Wales (company number 02823729). These are the only shares called up, allotted and fully paid. At the 1 April 2016, the subsidiary hived its assets up to the Hospice at book value and therefore the subsidiary was dormant. The company has not traded since the hive up. The activities and results of this company are summarised below:

	2018	2017
	£	£
Turnover	-	-
Costs of sales	-	-
Gross profit	-	-
Operating expenses	-	-
Other operating income	-	-
Net trading profit	-	-
Gift Aid donated to the Hospice	-	-
Tax on profit on ordinary activities	1,607	-
<b>Profit for the financial year being the retained profit for the year</b>	<b>1,607</b>	<b>-</b>
Balance sheet		
Assets	41,377	41,377
Liabilities	-	-
Provisions	-	(1,607)
Net assets	41,377	39,770
Represented by:		
Capital	2	2
Reserves	41,375	39,768
	41,377	39,770

#### The Five Towns Plus Hospice Trading Limited

The Hospice holds 100 shares of £1 each in its wholly owned trading subsidiary company The Five Towns Plus Hospice Trading Limited which is incorporated in England and Wales (company number 10072332). These are the only shares called up or allotted but were not fully paid at 31 March 2018. The subsidiary was incorporated on 18 March 2016 and had not traded before 31 March 2018.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 15 Investments (continued)

#### The Caring Kitchen Limited

The Hospice holds 100 shares of £1 each in its wholly owned trading subsidiary company The Caring Kitchen Limited which is incorporated in England and Wales (company number 08818611). These are the only shares allotted, called up and fully paid. The subsidiary operates a café in Pontefract market to raise funds for the Hospice. The subsidiary has continued to make a loss and will not pay any profits to the Hospice under the Gift Aid scheme in the current year. At the year end, management were considering the options available to them with regards substantially restructuring the company's operations, which ultimately resulted in the closure of the café post year end. The activities and results of this company are summarised below:

	2018 £	2017 £
Turnover	62,761	70,894
Costs of sales	(13,930)	(14,345)
Gross profit	48,831	56,549
Operating expenses	(84,219)	(58,269)
Net trading loss	(35,388)	(1,720)
Tax on loss on ordinary activities	1,071	-
<b>Profit for the financial year being the retained loss for the year</b>	<b>(34,317)</b>	<b>(1,720)</b>
Balance sheet		
Assets	9,137	39,944
Liabilities	(58,860)	(54,279)
Provisions	-	(1,071)
Net assets	(49,723)	(15,406)
Represented by:		
Capital	100	100
Reserves	(49,823)	(15,506)
	(49,723)	(15,406)

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 16 Stock

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Donated stock for resale	-	-	-	-
New goods for resale	7,210	7,530	6,880	7,200
Bags and retail consumables	8,403	5,379	8,403	5,379
	15,613	12,909	15,283	12,579

### 17 Debtors

#### Amounts falling due within one year:

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Trade debtors	7,507	6,634	7,507	6,634
Amounts owed by subsidiaries	-	-	-	5,978
Taxation recoverable	13,253	40,912	13,253	40,912
Other debtors	394	7,000	394	7,000
Prepayments	65,765	63,516	65,765	63,500
Accrued income	215,115	53,972	215,115	53,972
	302,034	172,034	302,034	177,996

#### Amounts falling due after one year:

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Amounts owed by subsidiaries	-	-	-	41,600

### 18 Current asset investment

Charity and Group	2018	2017
	£	£
Market value at 1 April 2017	17,194	13,659
Unrealised (loss)/gain on revaluation	(163)	3,535
Market value at 31 March 2018	17,031	17,194

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 19 Creditors: Amounts falling due within one year

	Group 2018 £	2017 £	Charity 2018 £	2017 £
Trade creditors	51,011	98,226	50,135	97,601
Amounts owed to subsidiaries	-	-	41,377	41,377
Tax	2,870	3,083	-	-
Social security costs and other taxes	48,486	46,508	48,339	46,430
Other creditors	10,679	13,451	10,679	13,431
Accruals	82,784	57,905	72,724	55,005
Deferred income	26,987	20,376	26,987	20,376
	222,817	239,549	250,241	274,220

Deferred income predominantly comprises of grants in advance for 2018/19, and entry fees and ticket sales for events in 2018/19.

#### Deferred income reconciliation

Balance at 1 April 2017	20,376	16,614	20,376	16,614
Amount released to the Statement of Financial Activities	(11,376)	(16,614)	(11,376)	(16,614)
Amount deferred in the year	17,987	20,376	17,987	20,376
Balance at 31 March 2018	26,987	20,376	26,987	20,376

### 20 Provisions for liabilities

	Group 2018 £	2017 £	Charity 2018 £	2017 £
Deferred tax	-	2,678	-	-

#### Group

Accelerated capital allowances	2018 £	2017 £	2018 £	2017 £
Balance at 1 April 2017	2,678	2,678	-	-
(Credit) for the year	(2,678)	-	-	-
Balance at 31 March 2018	-	2,678	-	-

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 21 Analysis of group net assets between funds

	Restricted Funds £	Unrestricted Funds £	Total £
Fund balances at 31 March 2018 are represented by:			
Intangible fixed assets	-	-	-
Tangible fixed assets	-	1,938,432	1,938,432
Current assets	68,393	1,210,789	1,279,182
Current liabilities	-	(222,817)	(222,817)
Provisions	-	-	-
	68,393	2,926,404	2,994,797

	Restricted Funds £	Unrestricted Funds £	Total £
Fund balances at 31 March 2017 are represented by:			
Intangible fixed assets	-	30,800	30,800
Tangible fixed assets	-	1,939,542	1,939,542
Current assets	82,599	694,188	776,787
Current liabilities	-	(239,549)	(239,549)
Provisions	-	(2,678)	(2,678)
	82,599	2,422,303	2,504,902

### 22 Other financial commitments - Group

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Land and Buildings		Other	
	2018 £	2017 £	2018 £	2017 £
Within one year	126,373	106,565	4,897	12,308
Within two to five years	194,197	197,214	4,085	15,972
After five years	-	1,458	-	-
	320,570	305,237	8,982	28,280

### 23 Capital commitments

At 31 March 2018 the trustees had authorised but not contracted for capital expenditure of £nil (2017: £nil) and had authorised and contracted for capital expenditure of £nil (2017: £nil).

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 24 Restricted funds

For the year ended 31 March 2018	At 1 April 2017 £	Income £	Expenditure £	Transfer to unrestricted £	At 31 March 2018 £
Other specific donations for capital	11,500	25,314	(1,197)	(32,461)	3,156
Day Therapy activities	33,169	3,717	(21,987)	-	14,899
Patient and Family Support Team	27,195	20,000	(37,817)	(2,714)	6,664
Specific donations for running costs	1,076	1,000	(1,076)	-	1,000
Hospice inpatient unit	1,676	91,721	(54,130)	(23,785)	15,482
Lymphoedema clinic	5,833	1,000	(6,833)	-	-
Physiotherapy and occupational therapy	-	46,835	(20,043)	-	26,792
Shops	-	11,035	(11,035)	-	-
Fundraising events	2,150	625	(2,375)	-	400
	82,599	201,247	(156,493)	(58,960)	68,393

The restricted funds hold donations to the charity for the purchase of specific fixed assets or for specified running costs.

Fixed assets purchased in the year are transferred out of restricted funds where all obligations have been satisfied and therefore any restrictions have been discharged. Grants received in the year include:

Name of restricted fund	Description, nature and purposes of the fund
Other specific donations for capital	The majority of this was received from various Trusts and Foundations and went towards the new boiler and heating system costs.
Day Therapy activities	Funding received for new initiatives in Day Therapy.
Patient and Family Support Team	Funding received towards salaries and equipment.
Specific donations for running costs	Various small donations towards general costs of Hospice.
Hospice inpatient unit	The majority of this income was from two major donors, who sponsored nursing costs for a year.
Lymphoedema clinic	A grant was received from the Jane Tomlinson Trust to help run the Lymphoedema department. This was "spent" in equal instalments over 12 months.
Physiotherapy and occupational therapy	The majority of this was a grant from The Prince of Wales Charitable Foundation, which was agreed could be offset against the Physiotherapist's salary, equipment, project support costs, uniform & consumables.
Shops	We received £11,000 from Pontefract Darts & Dominoes Club to offset against costs to set up the new Pontefract shop.
Fundraising events	We received £1,300 from Asda to go towards our Garden Party and Christmas dinner. We also received £850 to be offset against the Woodcarving project.

# The Five Towns Plus Hospice Fund Limited

## Notes to the Financial Statements for the year ended 31 March 2018 (continued)

### 24 Restricted funds (continued)

For the year ended 31 March 2017	At 1 April 2016 £	Income £	Expenditure £	Transfer to unrestricted £	At 31 March 2017 £
Incare refurbishment	383,188	287,833	-	(671,021)	-
Other specific donations for capital	640	11,500	(640)	-	11,500
IT upgrade and management	17,547	-	(5,666)	(11,881)	-
Day Therapy activities	2,455	41,679	(10,965)	-	33,169
Patient and Family Support Team	-	27,195	-	-	27,195
Specific donations for running costs	1,076	-	-	-	1,076
Hospice inpatient unit	-	7,136	(5,460)	-	1,676
Lymphoedema clinic	-	10,450	(4,617)	-	5,833
Fundraising events	-	3,250	(1,100)	-	2,150
	404,906	389,043	(28,448)	(682,902)	82,599

### 25 Financial instruments

	Group 2018 £	2017 £
<b>Carrying amount of financial assets</b>		
Financial assets carried at amortised cost	1,167,520	630,756
Financial assets measured at fair value	17,031	17,194
	<b>1,184,551</b>	<b>647,950</b>
<b>Carrying amount of financial liabilities</b>		
Financial liabilities carried at amortised cost	171,461	236,466

### 26 Pension costs

Some past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable under these provisions can be found on the NHS Pensions website at [www.nhsbsa.nhs.uk/pensions](http://www.nhsbsa.nhs.uk/pensions). Both schemes are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies allowed under the direction of the Secretary of State in England and Wales. They are not designed to be run in a way that would enable participating bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the Hospice of participating in each scheme is taken as equal to the contributions payable to the scheme for the accounting period.

A full actuarial (funding) valuation is undertaken every four years to assess the level of liability in respect of the benefits due under the schemes (taking into account their recent demographic experience), and to recommend contribution rates payable by employees and employers.

The last published actuarial valuation undertaken for the NHS Pension Scheme was completed for the year ended 31 March 2012. The Scheme Regulations allow for the level of contribution rates to be changed by the Secretary of State for Health, with the consent of HM Treasury, and consideration of the advice of the Scheme Actuary and appropriate employee and employer representatives as deemed appropriate.