

Annual Report 2016/17



Nurse Hannah and Violet

Our Vision

Every life a full life;
every death a dignified
death

About Us	4
- Who we are	
- Our vision, mission and values	
- Our history	
- Our year in numbers	
Chair of Trustee's Statement	8
Chief Executive's Statement	10
Trustees' Report	11
Strategic Report	11
Key developments	11
- Strategy launch	
- Governance – a charity in our own right	
- Clinical evaluation	
Clinical review	12
- Overview	
- Patient caseload	
- Outreach care	
- Family support and bereavement	
- Patient experience	
- Professional commendations	
- Feedback from Clinical Commissioning Groups	
- Complaints	
Fundraising and Retail Review	18
- Fundraising review	
- Retail review	
- Charity sector landscape	
Financial Review	22
- Risk management	
- Investment policy	
- Reserves policy	
- Remuneration policy	
- Going concern basis	
- Administrative details	
Trustees' Report	26
Auditor's Report	31
Year End Accounts	35

About Us

Helen & Douglas House cares for terminally ill children, young adults and their families through exceptional hospice care. We provide medical, emotional and practical support, helping families deal with the implications of living with a child who will die prematurely, so they can make the most of their time together.

We provide in-house care at our purpose-built hospice in Oxford - 24 hours a day, 7 days a week - as well as supporting people in their own homes, their local communities, and in hospitals.

As a charity we rely on donations from supporters to care for our families.

Our vision

Every life a full life; every death a dignified death

Our mission

- To enable young people (0-35 years) with life-shortening conditions, to live as well and as fully as possible to the end of their lives, and to support their needs and wishes at the time of their death.
- To provide palliative care at a specialist level for young people, through medical and nursing expertise, emotional and practical support.
- To support the families and carers of young people through their shortened life, through their death, and into bereavement.
- To be a regional centre of excellence in palliative care, based in Oxford, working closely with professionals in hospitals and in the community, to plan and provide local support tailored to individual needs.



We are creative and resourceful

We are open and honest

We are committed to partnership

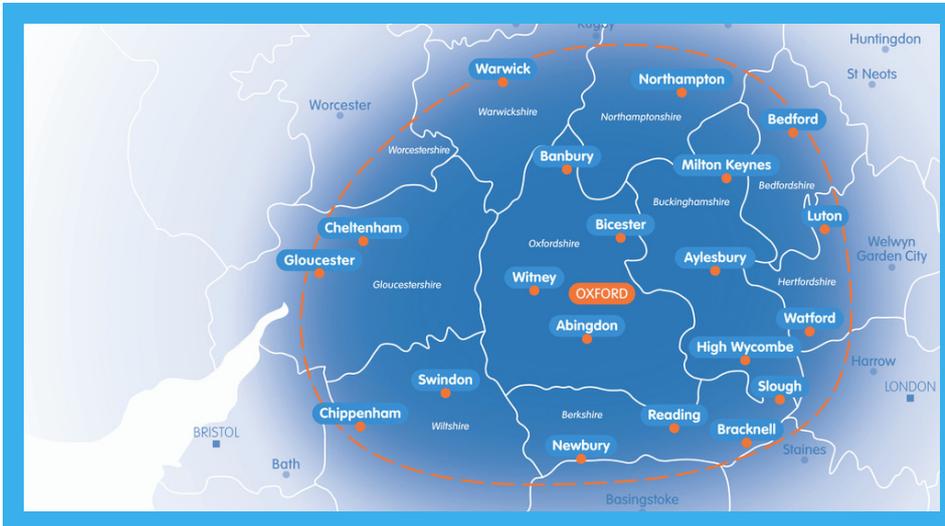
We lead by example

**OUR
VALUES**

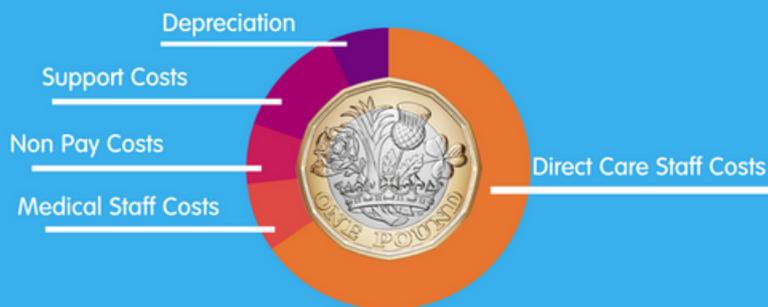
We are caring

Our geographical area

We are based in Oxford and care for families in Oxfordshire and surrounding counties. This map illustrates our core catchment area for new referrals.



74 pence in every £1 we spend on charitable activity pays for care and medical staff costs



Where does Helen & Douglas House receive its money from?



Our History



1982

Helen House opened as the world's first children's hospice.



1987

2nd UK Children's hospice, Martin House opened with staff trained by Helen House.



2001

The first siblings' support activity took place.

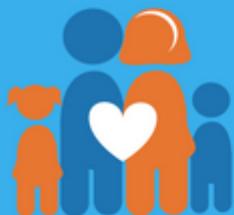
2004

Douglas House opened as the world's first young adults' hospice.



2008

The Volunteering Team was set up.



2012

Start of a pioneering new Home and Care Team Volunteering Programme.

1985



Creation of our Bereavement Support Team.

1995

1st children's hospice outside the UK, in Canada, based on the Helen House model.



2003

Our first shop opened.



2007

'The Children of Helen House' BBC Two Documentary broadcast nationally and then revisited in 2009.

2011

A new Outreach Nursing Team started supporting families in their own homes.

↑ 5.2%



Total income was up on last year.



Total spend was up on last year.

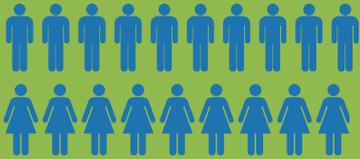
↑ 2.2%

40



Shops in Oxfordshire, Berkshire, Buckinghamshire, Wiltshire and Gloucestershire.

873



Volunteers who help with fundraising, maintenance, driving, gardening, catering and in our shops. Our home volunteers also help support families in their own home.

Economic value of 128,200 volunteer hours.



£1M

The number of conditions the young people who we care for could have, many of which are very rare.

300



The increasing number of children and young adults who have conditions which may require palliative care in our region.

1 IN 300



279



Patients were cared for by the hospice.

860



Admissions for overnight or day care.

151



Families, patients, parents, carers and siblings cared for by our Family Support Team.

2,842



Bed nights of care for our patients.



91

Patients who were cared for by our Outreach Nursing Team across our region.

Our year in numbers



I continue to be inspired by the patients, families and teams I meet at Helen & Douglas House. However, when I look back over the last 12 months it would be fair to describe it as an eventful year.

The two arenas in which we operate - clinical and fundraising - are both subject to increased regulation requiring our focus and attention.

Coupled with that, the continued pressure of funding an organisation of our size in an increasingly competitive marketplace, has meant we have needed to spend some time discussing our services, reviewing our costs and looking for ways to ensure we are ready to meet the challenges of the future.

The quality of the care we provide for our patients has always been at the heart of what we do at Helen & Douglas House and we have delivered and played a leading role in the growth of quality palliative care for children and young people for over 30 years, both across the country and beyond.

Over time the complexity of the care we provide for many of our patients has increased in line with medical and technological advances. We continually work to respond to evolving clinical needs and to develop the services we offer whilst maintaining an ethos of person-centred care in an enabling environment. The value of this approach is endorsed by those that use our services, many of whom have long term relationships with the charity.

Very sadly, in May 2016, a young adult who had been cared for at Douglas House, deteriorated suddenly and died unexpectedly. We fully acknowledge the tragedy for the family involved and have done everything possible to support the associated investigations and to make adjustments to how we work in response to what we have learnt and will continue to learn.

In June we commissioned an independent Root Cause Analysis (RCA) and the recommendations have been incorporated into an on-going development programme within the hospice. We have also been open in sharing our experiences and learnings with other providers in the hospice sector, many of whom are exposed to similar risks.

This serious incident, and subsequent CQC inspection, has influenced our focus on quality of care in the last year. We acted on the recommendations in the CQC report from December 2016 and have made significant progress in implementing the improvements identified. A return CQC inspection in June 2017 acknowledged the work that had been done and our overall grade remains 'Good'.

Our patients and families have expressed their support and an overwhelming desire and commitment to continue to use our services. The trust they put in us is reflective of their experience of the high quality care they receive at Helen & Douglas House.

As part of our drive for continual improvement, an on-going programme is in place to enhance the safety of our patients, as well as to improve our clinical effectiveness and patient experience.

Our staffing levels have also been adversely effected by a national shortage of registered nurses, and this continues to present us with specific challenges. We continue to innovate here to use our resources more effectively.

In the last year there has been some press coverage regarding a national funding crisis in children's palliative care. This is caused by the fact that the number of children with life-limiting and life-threatening conditions is growing and demand for children's palliative care services is increasing.

Despite this however, statutory funding for children's hospices and end-of-life care is falling and 3 out of 5 hospices saw their funding cut or frozen in the past year.

Here at Helen & Douglas House we receive less than 12% of our annual cost of care, £5.2 million, from the NHS and local authorities. Alongside this challenge, fundraising is also under pressure in the prevailing economic and political climate, and as a result of reported questionable practice elsewhere in the sector.

At Helen & Douglas House we are committed to honest and transparent practice in all aspects of our work, and we are hugely grateful for the generosity of all our supporters and volunteers, especially during these testing times.

In the current environment with all its uncertainties, fundraising is a strategic priority and we continue to review our income generating activities, focusing on long term growth and ensuring that respect for our supporters is at the heart of our fundraising practices.

Amidst such challenges, I am proud and humbled by the commitment and resolve demonstrated by our staff and by the many volunteers and donors who support us. Such commitment is echoed across our clinical and non-clinical teams, as together we seek to enable, promote, and fund the specialist individualised care that our patients and families need and value.

The trustee board and the senior leadership team have identified a number of core priorities which will be our focus for the coming year. A review of these priorities will be included in this report next year.

Our focus areas are: patient safety; income generation; innovation; and working in partnership.

Finally I would like to add a sincere thank you to all our supporters, without whom we would not be able to continue to provide care. There has been a number of high profile cases in recent months which demonstrate that now, more than ever, there is a need for our services.

Without our many supporters who take part in our events, donate regularly, hold their own fundraising events and activities and leave gifts in their wills, we simply wouldn't be able to care for patients and families who are experiencing the unimaginable.

Thank you for all you do and continue to do.



Elizabeth Drew
Chair of Trustees
Date: 26th September 2017



This past year has been an important and significant one for us at Helen & Douglas House, as we work to improve our services and financial sustainability in an ever-evolving environment.

Excitingly, we launched our new strategy in July 2016 and this identified the key things that we want to achieve between 2016 and 2021. This was a substantial piece of work and included a refresh of our vision, our mission, our values and our aims. We remain committed to providing an excellent service to children, young adults and their families – reflected in the strategy and in the progress we have made against many of the priorities that we identified.

I am privileged to have been able to serve the charity for over a decade and never forget how important it is that we can stand alongside families, at sometimes the gloomiest of times, and make a difference. Whether that difference be made by making a cup of tea for an exhausted mother, playing on the magic carpet with a sibling, or providing complex symptom control for a child who is suffering.

During the course of the year we have needed to respond flexibly to emerging events, most notably the serious incident in May 2016. We have also taken significant action to improve our governance as an organisation, and have been actively addressing prevailing financial challenges.

Whilst we significantly reduced our deficit, which is to be applauded, funding through voluntary donations, retail, and statutory sources remains a significant and ongoing challenge. The cost of generating our own funds has also increased.

The investments we have made during the year in retail, fundraising and marketing have yet to fully mature, but we are confident that this activity will generate significant returns in the coming years. In recognition of the funding challenges we made a strategic decision to expand the Executive Team, to include a new post of Director of Retail and New Business.

Our financial challenges have been compounded by a reduction in funding from statutory services (the National Health Service and local authorities). As well as focusing on our income generation we have also controlled our costs in both pay and non-pay areas.

In order to address our longer-term financial sustainability, we have reviewed our front line and supporting services and have started a process of rationalisation. We will focus on managing our costs prudently whilst ensuring we provide excellent care within our core service activities.

Underpinning everything we do is our commitment to our supporters to spend their donations effectively and wisely, primarily on providing care for the families we serve.

It has been a challenging year and I want to thank all our committed supporters and volunteers, as well as our doctors, nurses, carers, and everyone who works tirelessly to keep our service moving forward.

A handwritten signature in cursive script that reads "Clare Periton".

Clare Periton
Chief Executive Officer
Date: 26th September 2017

Strategic Report

5 year strategy

In June 2016 we launched our new 5 year strategy to staff and volunteers, following an extensive consultation and review process with our teams and trustees over preceding months.

We subsequently published "Our Strategy 2016-21" which is available on our website.

We have made progress against the priorities identified in our new strategy and our aims for the next five years (2016 – 2021) are:

- To deliver high quality of care and continue to develop as a specialist level provider.
- To provide care and support to more people.
- To improve efficiency.
- To enhance impact, develop and demonstrate the difference we make.
- To achieve financial sustainability.
- To enhance organisational accountability and governance.

This new strategy is an effective framework against which we evaluate our work and emerging priorities.

As strategic challenges have arisen during the year they have concentrated our focus on our aims relating to high quality care, financial sustainability and organisational governance.

Governance – a charity in our own right

In October 2016 Helen & Douglas House became independent from The Society of All Saints Sister of the Poor (ASSP), when a special resolution was passed by the board adopting new Articles of Association.

This change allows the charity, for the first time, to be in charge of its own destiny, agree its own strategic direction, and gives it the ability to appoint and remove trustees. The need for this separation became increasingly important in recent years.

Helen & Douglas House is very proud of its heritage and its relationship with the community of (ASSP), in whose grounds the hospice stands.

Clinical procedures review

Following the serious incident in May 2016 we thoroughly reviewed our procedures to mitigate the risk of such an incident happening again. These changes included increasing the information gathered for admissions to Helen & Douglas House, specifically around ventilation equipment and requirements to enable better assessment of risk prior to admission.

Following the statutory investigations, our own Root Cause Analysis and the subsequent focused Care Quality Commission inspection in December 2016, we have introduced and embedded further changes, including new care planning procedures and competency self-assessment for staff in specific areas of nursing care. We are also further developing our patient referral and assessment processes.

These changes have developed the quality of our care and reflect a safer and more informed clinical service.

Overview

The number of patients we supported in 2016-17 was at a similar level to 2015-16. Whilst the number of patients remained stable, the total number of nights patients spend with us has decreased between the two years, as a result of our decision to temporarily reduce bed capacity in each house due to staffing pressures. Nurse recruitment is a challenge nationally, as well as for us, and in response we have chosen to flex our services to ensure we have the necessary level of staff and experience.

Where possible we have maintained the amount of respite care we offer individuals. However, we have needed to be flexible to ensure we can accommodate emergency admissions. A reduction in available staffed beds has also led to a waiting list for new admissions for respite care at Douglas House. However, symptom management and end-of-life care has remained available to all patients throughout the year.

Family and bereavement support has also been provided to similar numbers of people this year compared to 2015/16 with a slight reduction in the work provided to couples, and a slight increase in the number of people supported by the Helen & Douglas House Social Worker.

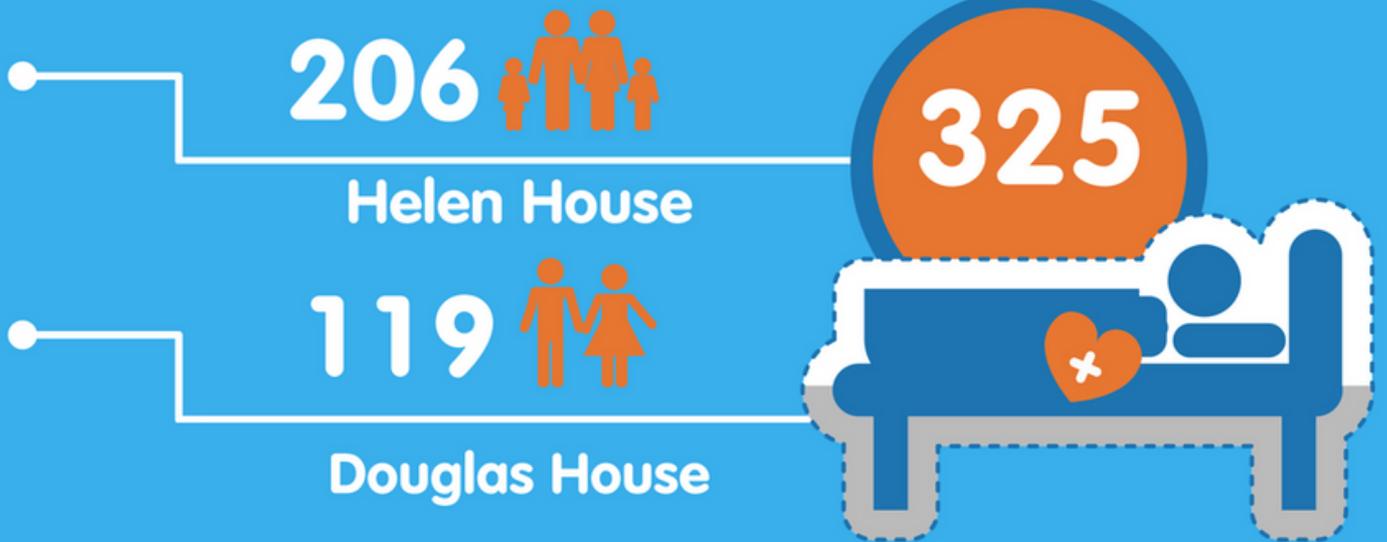
Patient Caseload

Patients can be referred to Helen & Douglas House by anyone, with the permission of the patient or their family. Referrals may be made for a number of reasons such as symptom management, end-of-life care, respite and patient transfers between hospital and home.

New referrals are assessed against certain criteria to determine if the patient is eligible for hospice care. Each year there is a small group of patients who transition from Helen House to Douglas House as they reach their later teenage years. Patients may be seen at the hospices or as part of our outreach work – either in hospital, at home, or in community settings.



TOTAL PATIENTS ON CASELOAD OVER THE YEAR



ADMISSIONS FOR OVERNIGHT OR DAYCARE



860

507 Helen House
353 Douglas House

BED-NIGHTS OF CARE (PRE- AND POST-DEATH)



2,842

1,371 Helen House
1,471 Douglas House

DAYCARE SESSIONS



70

61 Helen House
9 Douglas House

Outreach care

Alongside in-patient care, the Helen & Douglas House team of specialist outreach nurses provided direct care to 91 patients, compared to 88 in 2015/16. Of these 67 were seen in settings outside the hospice itself (hospital, home or other community setting). This compares to 51 in 2015/16.

In addition to the direct face-to-face care provided by this team, patients are supported through specialist advice, care planning and coordination – in partnership with local teams. The total caseload supported by the Outreach team was 124 patients over the year, through direct and indirect support, compared to 140 in 2015/16, reflecting fluctuations on demand.

Family and bereavement support

In addition to the specialist care we provide to our patients themselves, we also support their family members throughout a person's illness and in bereavement.

Activity levels for counselling and bereavement support were overall similar to the previous year. In 2016/17 a total of 151 individuals were supported on a 1-to-1 basis over the year, compared to 155 in 2015/16. This includes patients, family members and carers. 31 couples (62 people) were also supported over the year via specific support offered jointly to parents and couples. This compares to 43 couples in 2015/16 and the year-on-year variations reflect the natural fluctuations in need.

The number of people accessing support from our social worker continues to grow year-on-year. It was up to 54 in 2016/17 (44 in 2015/16 and 34 in 2014/15).

Sibling support was provided to a total of 57 brothers and sisters of Helen & Douglas House patients in 2016/17, compared to 67 in 2015/16. This support includes group and individual sessions.

What our patients and their families tell us:

"It is a lifeline. It is the best care we have ever had. It is how we survive."

"Good care. Friendly. Asked me how I am. I felt safe."

"We have to have an enormous amount of trust to hand over our precious son. We have that at Helen & Douglas House."



"I don't feel so alone during the sometimes exhausting and terrifying experiences of living with a child who has a poor prognosis."



"I'm treated like an adult. I get to make more choices"



"Helen & Douglas House now provides our stability and tranquillity. We know that they will be there for us."





"They stepped in at our lowest moment to support us medically, practically and emotionally."



"It makes you feel normal again and able to carry on with one of the hardest roles there is in life."



"Overall it is the only place of respite for my son which I can trust. Fantastic staff, very compassionate and taking care of details. Good facilities unknown in our town."

Professional Commendations

Other compliments and comments are captured by members of staff, often via email. Compliments are frequently sent by professional colleagues for assistance provided around the care of a patient. This could be for the inpatient units at Helen & Douglas House, the Doctors' Team or the Outreach Nursing Team.

Recent feedback referenced "expert advice", "sensitivity and honesty", "consistent quality care", "sensitive and clear communication with the family, in particular when dealing with difficult conversations", and a "collaborative approach".

Feedback from Clinical Commissioning Groups (CCG's)

The Lead Children's Commissioner for Nene and Corby CCGs has given the following feedback regarding the quality of care that Helen & Douglas House provided for the children and young people of Northamptonshire.

Nene and Corby CCGs have had a formal commissioning arrangement with Helen & Douglas House.

"The families of children who receive regular support from Helen & Douglas House have expressed that they feel the quality of care their children receive is of a high standard and the staff are always very friendly and supportive. They have reported that the environment is very child and family focussed with lots of activities that are available for their child to participate in. Families have stated that they feel they can leave their child with the staff and have a really good break."

Of the total care we provide, by far the greatest volume is provided to Oxfordshire CCG. However the CCG has no formal relationship with the hospice and provides no direct funding.

In 2016-17 Oxfordshire CCG has actively supported Helen & Douglas House via its Quality Team.

They have provided us with the following feedback:

"Oxfordshire CCG would like to congratulate the Hospice for the hard work and commitment of all Helen & Douglas House's staff in proactively providing complex and specialist care that is valued and respected regionally and nationally".



Complaints

Aside from the serious incident reported in May 2016, Helen & Douglas House received 3 complaints in the year 2016-17. There were no themes within these complaints and all were resolved in a timely and acceptable manner.

Trustees' Report

Fundraising and Retail Review

Fundraising Review

This year we raised £8.8 million through our fundraising and trading activities. This represents a increase of £0.3 million on last year.

The fundraising environment is increasingly competitive and our focus for the future is on learning more about our supporters, improving their experience of Helen & Douglas House, wherever they come into contact with us, and continuing to develop ways new ways to be relevant to them, and engage with them.

Our successes this year include:

- A reception at the Mini Museum for 150 supporters who came to learn more about our work and future plans. A number of valuable connections have been established as a result of this event.

- Our Radiothon in partnership with JACKfm radio doubled the income it raised in the previous year.
- We held a large fundraising dinner at Blenheim Palace in May 2017, at the kind invitation of the Duke and Duchess of Marlborough, resulting in a substantial grant from a new funder.
- The income we received from supporters leaving gifts in their wills also grew and performed better than expected.

We have identified a number of priorities in relation to income growth and these are currently being developed.

THE FOCUS AREAS

Developing our Brand and Marketing Communications function to enable us to understand our supporters more, respect their wishes and communicate with them more effectively.



Developing and growing fundraising activity in the community through our beneficiary families, volunteers, local businesses, groups and individual supporters.



Developing our processes to increase our efficiency.



Ensuring we operate in line with the new fundraising regulator and data protection regulations.



Developing our donor database to measure and support our fundraising activity.



Building our Fundraising Team and develop ways to measure impact and performance.



Trustees' Report

Fundraising and Retail Review

Retail Review

Our shops are an important part of our strategy to raise awareness of the charity in the local community and help to recruit more volunteers and supporters.

We have in previous years expanded our network significantly and at the end of 2016/17 we had 40 shops in addition to our warehouse in Aylesbury.

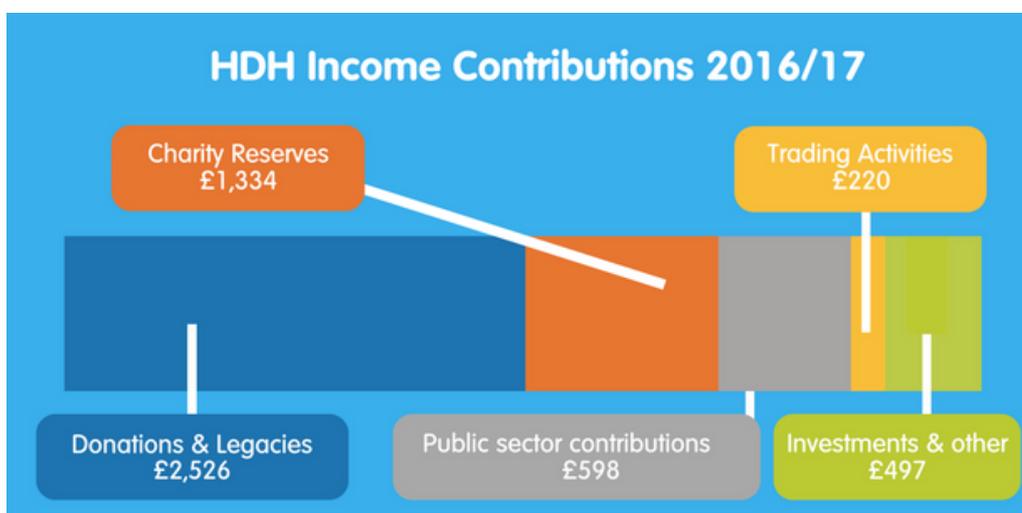
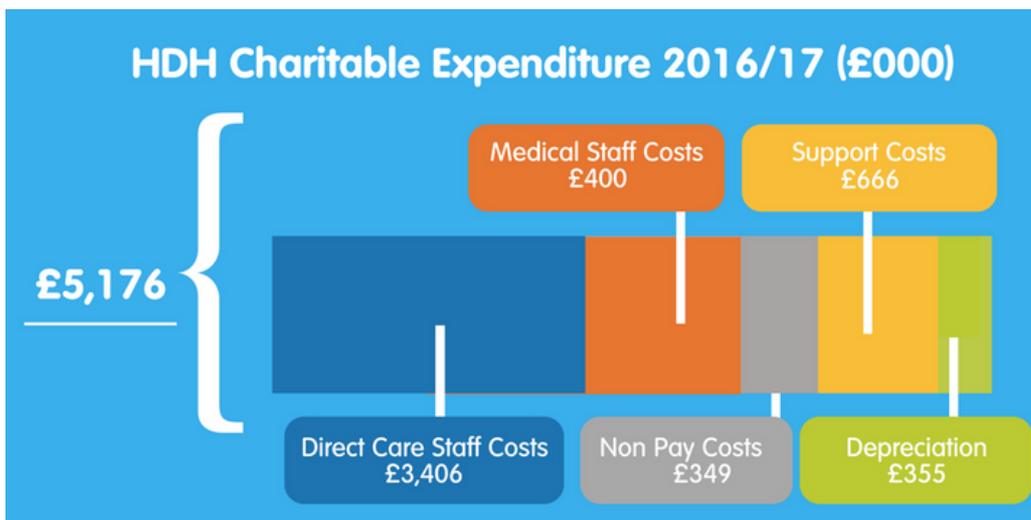
We are now very well represented on the high street across the Thames Valley and we do not plan to open any more new shops for the foreseeable future.

We have examined the portfolio carefully and will continue to review the performance of each individual shop, as well as assessing changes in the area, competitive threats and other internal and external factors.

Whilst we are a charity, we have to make business decisions and will continue to make changes and cease trading if a shop is not profitable.

Our focus now is on ensuring each shop is performing well, has strong volunteer support, and is at the heart of fundraising in the local community.

Charitable Income and Expenditure 2016/17



Charity sector landscape

Helen House has been in operation since 1982 and as the world's first children hospice drew support from across the county and indeed, the world. In 2004 Douglas House opened, offering palliative care for teenagers and young adults who may have been diagnosed with a terminal condition but who could expect to live well in their thirties.

As word about the special nature of the work and the services the hospices provides spread, over time other hospices offering palliative care for babies, children, teenagers and young adults developed across the country. Helen & Douglas House has been involved in the establishment of many of these.

Whilst this national expansion ensures that families who need the services of a hospice can access them across the country, it has also meant that funding for children's hospices has become dispersed.

The charity sector too has grown. There are over 160,000 registered charities in England and Wales alone and many more informal charitable groups.

The overall income of the charitable sector is around £43.8bn. Over £9.6bn was donated by the British public in 2015 and over 2.9bn hours were given by volunteers (Charity Today 2017).

The growth of the sector, and the many worthwhile causes that the very generous British public are asked to support, has undoubtedly had an impact on our fundraising. We have to constantly review our activity to ensure we are making the most of our resources and demonstrate to the public and to our supporters the impact our work has on the families we serve.

As the nature of some of the conditions we manage at Helen & Douglas House have become more and more complex, so has the healthcare and regulatory landscape changed. Our teams are required to meet a number of increasing regulatory and contractual requirements, thereby increasing the costs of running the hospices.

Charities too are facing increasing scrutiny and higher expectations from the public, the media, and from the government. The collapse of Kids Company in August 2015 and other stories of questionable fundraising and marketing practices by some charities has shaken public confidence in charities and resulted in a reduction in the levels of trust among the public.

Since the banking crisis almost a decade ago public finances have come under increasing pressure too and there is an increasing necessity for voluntary organisations to meet public need.

The reduction in our income from statutory sources is likely to continue and as a result of this we need to make changes to how we fundraise and speak to our supporters. Helen & Douglas House is not alone in facing this challenge. Charities across the UK need to evolve and adapt to meet these changing circumstances.

Trustees' Report

Fundraising and Retail Review

Our response

In response to this new landscape, the trustee board and the senior leadership team are developing a 5 year fundraising strategy to enable us to grow our fundraising and focus on sustainability in the long term.

It will include:

- Developing the Helen & Douglas House brand, our website, our digital channels and promoting our work through our retail chain to customers.
- Expanding our network of volunteers and advocates to enable us to drive our income.
- Working closely with our beneficiaries and family networks to ensure that the public in our core catchment areas know about our work, the difference it makes, and our need for funding.
- Seeking new ways to engage with local businesses and develop mutually beneficial partnerships.
- Expanding our events portfolio, taking into account trends in the events' market place.
- Continuing to engage with trusts, foundations and other grant making bodies.
- Growing our annual Radiothon and looking to develop new fundraising initiatives.

Simultaneously we will review our retail strategy and operation. It is anticipated that we will need to invest in this growth activity over the next two years before we see our income levels return and begin to grow.

We have experienced a modest growth in total income over the last 12 months. Income grew by £0.5m and was driven by a combination of:

- A rise in legacy income
- Better than anticipated dividends on our investments
- A one-off profit from the sale of an asset

This was achieved despite a decrease in the amount of money from local Clinical Commissioning Groups.

Expenditure is split into two categories – Raising Funds and Charitable Activities. Within Raising Funds we have kept the expenditure on raising donations and legacies in line with last year.

We have invested in some of our older shops and consequently our trading expenditure has increased. We also opened three new shops.

Expenditure on charitable activities is split into Hospice Care and Bereavement. We have seen consistent expenditure on our bereavement service. However, the expenditure on hospice activities has decreased by 2.5% from last year. This relates to challenges in filling vacant job roles and has meant we have had vacancies open for longer.

We have seen significant movement in the value of our investment held by CCLA. The spread between UK and overseas equities has meant an increase of 16% in the value of the portfolio from the start to the end of the year. The increase in value has meant the amount of dividend has increased to approximately a 4% return.

We have been able to manage our cash flow during the financial year to avoid the need to draw down on our investments. Close monitoring and review of investment performance is carried out, to ensure trustees are kept up-to-date on the most recent valuation and any longer term forecasts.

Risk management

The Trustees examined the principal areas of the charity's operations and reviewed the major risks associated with each. The trustees consider that the charity's systems are such that these risks are mitigated to an acceptable level. The risk management strategy forms part of the annual planning process, against which the trustees regularly review progress. The trustees review the risk register twice a year. The trustees seek to anticipate future risks by undertaking risk analysis as part of the long term strategic planning programme.

The table below summarises our three main risks and controls procedures that are in place:

Risk	Mitigation
<p>Reduction in fundraising income</p> <p>Public perception of fundraising. New charities emerging. The impact of negative press. The impact of GDPR.</p>	<ul style="list-style-type: none"> • Grow our supporter numbers. • Focus on being a local charity. • Invest in marketing our cause. • Comply with regulations and GDPR. • Invest in digital communications. • Contingency plan. • Cost reduction focus across the organisation. • Staff training.
<p>Reputational damage</p> <p>A further serious clinical incident. Serious data security breach. Cyber-attack. Serious fraud. Serious health and safety incident in fundraising/retail. Serious PR issue.</p>	<ul style="list-style-type: none"> • Senior staff plan and review activity. • Processes and procedures to identify/manage fraud. • Prioritise data security, patient safety, and health and safety. • Evaluate the fundraising environment, act on recommendations and best practice. • Robust information security policies and procedures. • Regular reviews of, and investment in, IT infrastructure. • Access to expert media and PR advice. • Staff training.
<p>Staffing</p> <p>National shortage of nursing staff. Shortage of fundraising and other non-clinical staff.</p>	<ul style="list-style-type: none"> • Ongoing proactive recruitment processes in place. • Continue to develop as an employer of choice. • Pay and Benefits packages competitive within the healthcare community. • Attractive pension options (including transferable NHS pension). • Review and consider skill mix and role design in clinical teams. • Continue to develop partnership working.

Investment policy

The charity invests in pooled-fund managed by CCLA Investment Management Ltd. Investments are held in equity funds. The portfolio is reviewed at least annually and, under the guidance of CCLA Investment Management Ltd, amended according to the anticipated market conditions and organisational needs. The quarterly reports from CCLA's Social Responsibility Investigation Unit confirm to the trustees that the CBF funds' managers adopt a rigorous approach to corporate social responsibility, in line with the trustees' instructions on ethical codes.

The aim is to preserve the 'real' capital value of the investments, whilst at the same time maximising income.

Reserves policy

Reserves are held to enable us to continue to help beneficiaries and to secure the future of the charity. They provide investment income, cash resources for capital projects and a subsidy for years when income does not match expenditure.

Our policy is to have free reserves of at least six months cost of providing charitable activities.

A summary of reserves is provided below:

	£'000
Unrestricted Reserves at 31 March 2017	13,340
Less the value of unrestricted fixed assets	6,295
Less amounts allocated or designated	4,162
'Free' reserves at 31 March 2017	2,883

It currently costs c£431k per month to provide hospice care, family support and bereavement care. The level of free reserves therefore represents around just under 7 months' running costs.

Allocated /designated amounts

Helen & Douglas House makes several allocations from its unrestricted reserve. These cover:

- Unexpired lease commitments for retail shops.
- Funds to cover overspends related to maternity leave or long-term absence.
- Funds to cover redundancy, should the charity become unviable in the future.

Remuneration policy

The organisational remuneration policy sets out the principles that the Charity follows, but specifically:

- Equal pay for work of equal value.
- Cost of living.
- National Living Wage.
- Pensions & Benefits.
- Staff paid outside Agenda for Change.

It is reviewed annually by the Board of trustees.

Pay Scales & Rates

The Charity has aligned pay with that of the NHS which has meant that it has benefited from the ability to attract qualified nurses to work in Hospice Care. With the exception of the CEO and consultants/doctors all employees are paid on Agenda for Change pay points.

The minimum hourly rate paid in 2016/17 was £7.82, which was above the National Living Wage. For 2017/18 the minimum hourly rate is £7.90 and remains above the National Living Wage.

Pension Schemes

The Charity offers two pension schemes:

- NHS Pension

Employees who join having paid into an NHS pension in the previous 12 months are entitled to re-join the NHS Scheme.

- Employers' Pension

Employees are able to join one of two schemes. There is a higher contribution rate scheme that has been in operation for some time. This requires an employee to contribute 6% and the charity 7%. If the employee chooses not to join this scheme, and meets the requirements, they will be automatically enrolled into a scheme offering the minimum level of contributions (2016/17 1%). They must choose to opt out of this scheme.

Going concern basis

The charity has considered its future cost base and compared it to projected income streams. It is acknowledged that there is a varied level of certainty around certain income streams. The section of the report on Risk Management covers our plans to respond to these uncertainties. The Trustees believe that the charity is well placed to manage this risk successfully, despite the current uncertainty in the fundraising environment. There are no material uncertainties about the charity's ability to continue as a going concern.

Administrative details

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st March 2017.

The annual report and financial statements comply with the Charities Act 2011, the Companies Act 2006, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), and the charity's memorandum and articles of association.

The table below is a list of all trustees covering the relevant reporting period and the Assurance Committee they sit on.

	Quality of Care	Finance	Fundraising & Marketing	People & Operations	Trading Company
James Boulton (resigned 30/12/2016)					
Katherine Boyce (appointed 20/05/2016)					
Sir Stephen Bubb					
Elizabeth Drew (Chair)					
Yvette Gayford					
Colin Love					
Fleur Perry					
Sister Jean Raphael (appointed 28/03/2017)					
John Tennent (Treasurer)					
Dr Andrew Wilkinson					
Nicholas Wilkinson					
Emma Wrigley (resigned 21/11/2016)					

Key management personnel

Chief Executive Officer	Clare Periton
Director of Clinical Services	Elizabeth Leigh
Director of People Resourcing & Operations & Deputy CEO	Sarah Westmorland
Director of Fundraising & Marketing	Hazel Bedford
Director of Retail & New Business	Lesley Gorton
Director of Finance	Richard Quayle
Associate Director – Strategy	David Savage
Company Secretary	Tom Gilman

Solicitors

Royd Withy King LLP, North Bailey House, New Inn Hall Street, Oxford, OX1 2EA

Independent auditors

Sayer Vincent LLP, Invicta House, 108-114 Golden Lane, London, EC1Y 0TL

Banks

National Westminster Bank plc, 121 High Street, Oxford, OX1 4DD

Barclays Bank plc, 54 Cornmarket Street, Oxford, OX1 3HB

Investment managers

CCLA, Senator House, 85 Queen Victoria Street, London, EC4V 4ET

The charity and public benefit

Helen & Douglas House accepts patients based on an objective assessment of need against defined criteria, and in line with principles adopted nationally for children and young people with palliative care needs (ref. Together for Short Lives). We operate a principle of equality of access to care, according to assessed need, and offer services to any member of the public within those criteria without discrimination (subject to operating capacity).

We provide care free of charge to our beneficiaries. We are only able to do this through the generosity of public donations and through our continual pursuit of a fair funding contribution from statutory sources. For every £1 received of statutory money, the charity itself generates a further £7.65 of income from voluntary donations, representing significant return on investment for the state.

The trustees have had regard to the Charity Commission's guidance on public benefit in carrying out the charity's objectives and are satisfied that any eligible child or young adult and their family members/carers, can benefit from the charity's services.

Organisation structure, governance and management

Helen House and Douglas House were each originally established under the aegis of the Society of All Saints Sisters of the Poor (ASSP), a registered charity and Anglican religious community for women, whose Mother House is in Oxford. The two hospices are built within the grounds of the Society's Convent.

On 14 October 2016 a Special Resolution was adopted by the Trustees of the ASSP which gave Helen & Douglas House independence from their organisational structure.

The Chief Executive is responsible for organising an induction programme for new trustees and on-going training for all trustees. Each trustee receives a trustee induction file on appointment. This, and on-going training, are based on material provided by Hospice UK, the umbrella body of the hospice movement in the United Kingdom, and the Charity Commission.

Whilst the trustees have, and accept, ultimate responsibility for directing the charity's affairs, they have delegated authority for day-to-day operational decisions to the Chief Executive, who reports to them at the bi-monthly meetings of the board.

Helen & Douglas House (Trading) Limited, a wholly-owned subsidiary of Helen & Douglas House, was established to generate funds for the charity from the sale of mostly donated goods, with a small element of new goods in the sales mix. In April 2006 a decision was taken to directly account for the sale of donated goods through the charity, rather than channelling them through the trading company. The sale of new goods continues to be accounted for through Helen & Douglas House (Trading) Limited. The results of the subsidiary company have been incorporated into these financial statements.

Trustee board members

Two members of the trustee board have a beneficial interest in the charity. One is a young adult who uses the services of Douglas House and one is a parent whose child died in Helen House. The remaining trustees do not have a beneficial interest.

Trustees' responsibilities

The trustees (who are also directors of Helen and Douglas House for the purposes of company law) are responsible for preparing the Trustees' Report including the strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the group and charitable company and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. In preparing these 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware.
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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 United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees' Report which includes the strategic report has been approved by the Trustees on 26 September 2017 and signed on their behalf by



Elizabeth Drew
Chairman
26 September 2017



"I enjoy it here. It is nice to catch up with my friends."



"Always have a good time."



"Overall it is the only place of respite for my son which I can trust. Fantastic staff, very compassionate and taking care of details."



Independent auditor's report to the members of Helen & Douglas House

Opinion

We have audited the financial statements of Helen & Douglas House (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2017, which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2017 and of the group's resources and application of resources, including its income and expenditure, for the year then ended.
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

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 group 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 or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months, from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' report, including the strategic 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.

Independent auditor's report to the members of Helen & Douglas House

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.

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, including the strategic report, for the financial year for which the financial statements are prepared, is consistent with the financial statements.
- The trustees' report, including the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 require us to report to you if in our opinion:

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

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' report, the trustees (who are also the directors of the parent charitable company for the purposes of company law), are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Independent auditor's report to the members of Helen & Douglas House

Auditor's responsibilities for the audit of the financial statements

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit.

We also:

- Identify and assess the risks of material mis-statement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern.

Independent auditor's report to the members of Helen & Douglas House

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink, appearing to read 'Sayer Vincent LLP', with a horizontal line underneath the name.

Helen Elliott (Senior statutory auditor)

Date: 26th September 2017

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108-114 Golden Lane,
LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006.

Consolidated Statement of Financial Activities

		Restricted funds	Unrestricted funds	Total funds 2016/17	Total funds 2015/16 Restated
	NOTE	£000	£000	£000	£000
Income from:					
Donations & legacies	2a	136	3,565	3,701	3,328
Charitable activities	2b	280	318	598	745
Other trading activities	2c	0	5,162	5,162	5,174
Investments	2d	0	219	219	188
Other	2e	0	278	278	31
Total		416	9,542	9,958	9,466
Expenditure on:					
	3				
Raising funds: Donations & legacies		0	1,175	1,175	1,143
Raising funds: trading activities		0	4,942	4,942	4,604
Charitable activities: Hospice care		412	4,460	4,872	4,994
Charitable activities: Bereavement		10	294	304	309
Total		422	10,871	11,293	11,050
Net income/(expenditure) before net gains/(losses) on investments					
		(6)	(1,329)	(1,335)	(1,584)
Net gains/(losses) on investments	7	0	710	710	(121)
Net income/(expenditure) after net gains/(losses) on investments		(6)	(619)	(625)	(1,705)
Net movement in funds		(6)	(619)	(625)	(1,705)
Reconciliation of funds:					
Total funds brought forward		163	13,959	14,122	14,181
Prior year adjustments					(59)
Total funds brought forward (as restated)					14,122
Total funds carried forward		157	13,340	13,497	

Consolidated Balance Sheet

	NOTE	Group		Charity	
		2016/17 £000	Restated 2015/16 £000	2016/17 £000	Restated 2015/16 £000
Fixed Assets	5				
Buildings		5,870	6,461	5,870	6,461
Fixture, fittings & equipment		351	421	351	421
IT Costs		31	16	31	16
Motor vehicles		43	23	43	23
		<u>6,295</u>	<u>6,921</u>	<u>6,295</u>	<u>6,921</u>
Investments					
Investments	6	5,639	4,702	5,639	4,702
Current Assets					
Stock		86	105	0	5
Debtors	8	785	1,362	866	1,443
Short term investments	9	1	1	1	1
Cash & bank		1,184	1,726	1,180	1,724
		<u>2,056</u>	<u>3,194</u>	<u>2,047</u>	<u>3,173</u>
Current liabilities					
Creditors	10	(493)	(695)	(492)	(682)
Net current assets		1,563	2,499	1,555	2,491
Net assets		<u>13,497</u>	<u>14,122</u>	<u>13,489</u>	<u>14,114</u>
Accumulated funds					
Designated funds	14	4,162	4,047	4,162	4,047
Unrestricted - General	14	9,178	9,912	9,170	9,904
Restricted	15	157	163	157	163
		<u>13,497</u>	<u>14,122</u>	<u>13,489</u>	<u>14,114</u>

These financial statements were approved and authorised for issue by the Trustees and signed on the behalf by:

Elizabeth Drew (Chair of Trustees)


26 September 2017

Consolidated Cash Flow Statement

	2016/17	Restated
	£000	2015/16
		£000
Net cash flow from		
Cash flows from operating activities:		
Net income/(expenditure) for the reporting period	(625)	(1,705)
Adjustments for:		
Depreciation charges	546	532
(Gains)/losses on investments	(710)	121
Dividends, interest and rent from investments	(219)	(188)
Loss/(profit) on sale of fixed assets	(250)	
(Increase)/decrease in stock	19	(10)
Increase/(decrease) in creditors	(202)	179
(Increase)/decrease in debtors	577	1,135
Net cash provided by operating activities	(864)	64
Cash flows from investing activities:		
Dividends, interest and rents from investments	219	188
Proceeds from the sale of fixed assets	529	11
Purchase of fixed assets	(199)	(176)
Purchase of investments	(500)	0
Movement in current investments	0	201
Proceeds from the sale of investments	273	990
Net cash provided by (used in) investing activities	322	1,214
Increase in cash balance	(542)	1,278
Movement in cash balances		
Start of year	1,726	448
End of year	1,184	1,726
Change	(542)	1,278

1 Accounting policies

Statutory information

Helen & Douglas House is a company limited by guarantee and is incorporated in England, registered in England and Wales (No. 4120488).

It is a registered charity in England and Wales (No. 1085951).

The registered office address is North Bailey House, New Inn Hall Street, Oxford OX1 2EA.

The principal place of business is 14a Magdalen Road, Oxford OX4 1RW.

The following accounting policies have been used consistently with items considered material in relation to the group accounts.

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 & the Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK & the Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

The consolidated financial statements comprise the accounts of Helen & Douglas House and its trading subsidiary, Helen & Douglas House Trading Limited, made up to 31 March 2017. The trading results of the subsidiary are shown in note 6. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet.

A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006

Public benefit entity

Helen & Douglas House meets the definition of a public benefit entity under FRS 102.

Going concern basis

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Investment in subsidiaries

The investment in subsidiaries is at cost.

Income

- Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.
- Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, and 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.
- Income received in advance of the provision of a specific service is deferred until the criteria for income recognition are met.
- Cash donations are credited to the Statement of Financial Activities as received.
- Where assets have been donated a cash equivalent value is included. Donated assets with a value of less than £5,000 are not included in the accounts because it would not be economical to establish a fair value.
- Legacies are recognised when the charity has been notified that it is a beneficiary, the amount is determinable or money is received.
- In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.
- Investment income is accounted for on an accruals basis.
- 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.
- Income raised through the shops is recognised on a receipts basis.
- Tax recoverable on amounts received by way of Gift Aid is included in the accounts on an accruals basis. Retail Gift Aid is included on an accruals basis.

Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

Charitable activities (Hospice Care)	The direct cost of running Helen House and Douglas House, Clinical management, Medical Team and direct support services of Catering, Domestic and Facilities teams.
Charitable activities (Bereavement)	The cost of the operation of the family support and bereavement team.
Costs of raising funds	The cost incurred to receive voluntary contributions as well as the cost of activities with a fundraising purpose.
Trading activities	The cost related to running our network of shops and our Lottery operation.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation of support services

Expended resources are allocated to the particular activity where the cost relates directly to the activity. The cost of overall management and administration of each activity, comprising salary and overhead costs of central functions, is apportioned on the following basis:

Support Area	Basis of apportionment to the four main cost areas
Finance	Based on the combined value of income and expenditure
CEO Office	Apportionment based on the % time allocated by individual employees
Governance	Apportionment based on the total cost in each area
IT	Apportionment based on the % time allocated by individual employees
Public Relations & Marketing	Apportionment based on the % time allocated by individual employees
People, Volunteering & Resources	A combination of allocation methods used based on an individual employee role including; recruitment numbers, number of employees and number of volunteers

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

Debtors

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

Cash at bank and in hand

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

Creditors and provisions

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

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Funds restricted for the purchase of fixed assets are transferred to unrestricted funds once the asset has been acquired.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Stock

Stock is valued at the lower of cost and net realisable value. The stock of donated goods is not valued.

Tangible fixed assets

Items of expenditure are capitalised where the purchase price exceeds £1,000.

Depreciation charges are allocated to activities on the basis of the use of the related assets in those activities.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value evenly over its expected useful life. The depreciation rates in use are as follows:

Buildings	2.5%
Building Improvements	10.0%
Fixtures & fittings	15.0%
Computer equipment	33.3%
Motor vehicles	25.0%

Listed investments

Investments are a basic form of financial instrument and are initially recognised as their transaction value and subsequently measured at their fair value as at the balance sheet date, using the closing quoted market value. Any change in the fair value will be recognised in the Statement of Financial Activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains / (losses) on investments" in the Statement of Financial Activities.

The charity does not acquire complex financial instruments.

Investment properties

Investment properties are measured initially at cost and subsequently included in the balance sheet at fair value. Investment properties are not depreciated. Any change in the fair value is recognised in the Statement of Financial Activities. The valuation method used to determine fair value will be stated in the note to the accounts.

Taxation

No corporation tax is payable, due to the charitable status of the parent company. Taxable profits are generated by the Trading subsidiary and are transferred as a gift to the parent company.

Pension costs

The Charity operates its own defined contribution scheme, currently provided by Scottish Widows. In addition some employees are entitled to be members of the NHS pension scheme. For the Charity to allow the employee to continue with

membership of the NHS Pension Scheme they must have paid into it in the 12 months prior to joining the Charity.

The NHS Pension Scheme is an unfunded, defined benefit scheme for NHS employers, GP Practices and other bodies allowed under the direction of the Secretary of State. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the Charity of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Operating leases

Rentals applicable to operating leases are charged on a straight line basis over the period of the lease.

Helen & Douglas House
Notes to accounts for the year ended 31 March 2017

2	Income	2016/17	2015/16
		£000	£000
2a	Donations	2,415	2,713
	Legacies	1,286	615
		<u>3,701</u>	<u>3,328</u>
2b	Charitable activities		
	NHS England Hospice Grant (See Note 15)	280	280
	NHS and Local Authority contributions to cost of care	318	465
		<u>598</u>	<u>745</u>
2c	Trading activities		
	Sales of donated and bought in goods	4,504	4,587
	Gift Aid on sales of donated goods	219	235
	Web sales	95	76
	Lottery income	203	208
	Other	141	68
		<u>5,162</u>	<u>5,174</u>
2d	Investments		
	Rent income	31	43
	Interest	1	1
	Fund and Dividend income	187	144
		<u>219</u>	<u>188</u>
2e	Other income		
	Profit on disposal of fixed asset	250	0
	Other income	28	31
		<u>278</u>	<u>31</u>

Helen & Douglas House
Notes to accounts for the year ended 31 March 2017

3 Expenditure	Hospice Care	Bereavement	Fundraising	Trading	2016/17 TOTAL	Restated 2015/16 TOTAL
	£000	£000	£000	£000	£000	£000
Pay costs	3,554	252	553	2,082	6,441	6,407
Non-pay costs	339	10	340	2,201	2,890	2,708
Central support costs	624	42	282	468	1,416	1,403
Depreciation	355			191	546	532
	<u>4,872</u>	<u>304</u>	<u>1,175</u>	<u>4,942</u>	<u>11,293</u>	<u>11,050</u>
Central Support Costs:	£000	£000	£000	£000	£000	£000
Finance	64	4	66	136	270	270
CEO Office	113	17	93	49	272	265
Governance	15	1	4	17	37	75
IT	32	6	28	48	114	104
Public Relations & Marketing	9	1	58	4	72	108
People & Resourcing Team	391	13	33	214	651	581
	<u>624</u>	<u>42</u>	<u>282</u>	<u>468</u>	<u>1,416</u>	<u>1,403</u>
					2016/17	2015/16
					£000	£000
Auditor's remuneration (excluding VAT):						
Audit of these financial statements					15	7
Audit of financial statements of subsidiary					1	1
Operating lease rentals - Property					1,093	1,072
Operating lease rentals - Other					57	47

No remuneration was paid to our outgoing auditors to March 2017.

4 Salaries and employees

The number of permanent employees and (Full Time Equivalent status) as at 31 March 2017, by function was:

	2016/17		2015/16	
Nursing, medical and care	109	(80.61)	109	(81.14)
Fundraising	18	(17.67)	15	(12.87)
Management & administration	29	(23.61)	29	(24.17)
Retail	102	(81.88)	108	(86.70)
Estates, domestic and catering	16	(14.20)	17	(14.20)
	<u>274</u>	<u>(217.97)</u>	<u>278</u>	<u>(219.08)</u>

The organisation employed people on bank contract (zero hours). In 2016/17 there were 53 individuals who worked 13.39 FTE (2015/16: 71 individuals, 12.25 FTE).

Staff salary costs:	£000	£000
Salaries	6,313	6,255
National Insurance Contributions	561	505
Pension Contributions	441	448
	<u>7,315</u>	<u>7,208</u>
Agency, advertising and other employee costs	207	282
	<u>7,522</u>	<u>7,490</u>

Employee emoluments:	2016/17	2015/16
£60,000 - £69,999	1	1
£70,000 - £79,999	1	1
£80,000 - £89,999	1	1

Key management personnel (as defined in the Trustees' Annual Report) total remuneration was £497,290 (2015/16: £434,490).

Termination payments

In 2016/17 the Charity had 5 (2015/16: 2) termination payments that amounted to £11,049 (2015/16: £19,500)

Pension costs

Total pension contributions charged to the statement of financial activity, by scheme

	2016/17	2015/16
	£000	£000
Charity defined contribution scheme	183	180
NHS pension scheme	258	268
	<u>441</u>	<u>448</u>

Volunteers

The number of volunteers who worked for the group is set out in the table below:

	Number of volunteers		Number of hours volunteered		Economic value of the hours (£)	
	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17
Care	166	128	15,000	14,100	117,000	110,900
Fundraising	26	23	1,000	600	8,200	5,700
Retail	748	703	131,200	111,000	1,016,300	868,500
Other	37	19	2,800	2,500	27,100	23,400
Total	977	873	150,000	128,200	1,168,600	1,008,500

5 Fixed Assets

	Buildings £000	Fixtures, fittings & equipment £000	IT Cost £000	Motor vehicles £000	Total £000
Cost					
At 1 April 2016 (Restated)	9,399	3,455	296	60	13,210
Additions	(25)	157	31	36	199
Disposals	(311)	(2,082)	(135)	(9)	(2,537)
At 31 March 2017	9,063	1,530	192	87	10,872
Depreciation					
At 1 April 2016 (Restated)	(2,934)	(3,047)	(272)	(35)	(6,288)
Charged in year	(290)	(214)	(24)	(18)	(546)
Eliminated on disposal	31	2,082	135	9	2,257
At 31 March 2017	(3,193)	(1,179)	(161)	(44)	(4,577)
Net book value					
At 31 March 2017	5,870	351	31	43	6,295
At 1 April 2016 (Restated)	6,461	421	16	23	6,921

Helen & Douglas House
Notes to accounts for the year ended 31 March 2017

6 Investments	2016/17	2015/16
	£000	£000
CCLA - Investment Fund 330,000		
Units	5,096	4,394
Other listed investments (Bonds and Shares)	273	38
Investment property	270	270
	<u>5,639</u>	<u>4,702</u>
Market value at 1 April 2016	4,702	5,823
M&G Purchase	500	
Proceeds from sale of investments	(273)	(990)
Net realised/unrealised gain/loss	710	(131)
Market value at 31 March 2017	<u>5,639</u>	<u>4,702</u>

Investment properties were valued at their market value as at 31 March 2016. The valuation was conducted by Savills plc. The Board of Trustees are satisfied this remains an accurate valuation.

The charity owns the whole of the issued ordinary shares of Helen & Douglas House (Trading) Limited, a company incorporated in England. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line-by-line basis in the statement of financial activities. Available profits are gifted back to the charitable company. The Chair of Trustees, Treasurer and CEO of the charitable company are also directors of Helen & Douglas House (Trading) Limited.

A summary of the company's results are as follows:

	2016/17	2015/16
	£000	£000
Sales	513	406
Cost of sales	(279)	(233)
Gross profit	<u>234</u>	<u>173</u>
Other income		
Administrative expenses	1	2
Gifted to Charity	(233)	(171)
Retained in subsidiary	<u>0</u>	<u>0</u>
Reserves brought forward	<u>8</u>	<u>8</u>
Reserves carried forward	<u><u>8</u></u>	<u><u>8</u></u>

7 Parent charity

The parent charity's gross income and the results for the year are disclosed as follows:

	2016/17	2015/16
	£000	£000
Gross income	9,445	9,060
Result for the year	<u>(625)</u>	<u>(1,705)</u>

	Group		Charity	
	2016/17	2015/16	2016/17	2015/16
	£000	£000	£000	£000
8 Debtors				
Trade debtors	26	136	26	136
Investment income receivable	13	12	13	12
Income tax recoverable	18	20	18	20
Accrued income	23	30	23	30
Accrued legacy income	267	736	267	736
Prepayments	377	350	377	350
Subsidiary undertakings	0	0	81	89
VAT recoverable	40	77	40	69
Other debtors	21	1	21	1
	<u>785</u>	<u>1,362</u>	<u>866</u>	<u>1,443</u>

Helen & Douglas House
Notes to accounts for the year ended 31 March 2017

	Group		Charity	
	2016/17 £000	2015/16 £000	2016/17 £000	2015/16 £000
9 Current asset investments				
CBF Deposit Fund	1	1	1	1
10 Creditors				
Trade creditors	98	237	97	224
Social security and other taxes	146	137	146	137
Other creditors	65	64	65	64
Accruals and deferred income	184	257	184	257
	<u>493</u>	<u>695</u>	<u>492</u>	<u>682</u>

11 Trustee Remuneration

No trustee received any remuneration for their office. One trustee (2015/16: one) received £424 (2015/16 £111) in reimbursement of expenses for representing the charity.

12 Leasing commitments

As at 31 March 2017 the Charity had total commitments under non-cancellable leases as follows:

	Property		Other	
	2016/17 £000	2015/16 £000	2016/17 £000	2015/16 £000
Less than one year	153	144	21	14
Between one and five years	2,164	2,511	19	0
More than five years	996	460	6	0
	<u>3,313</u>	<u>3,115</u>	<u>46</u>	<u>14</u>

13 Related party transactions

Helen & Douglas House paid rent of £41,800 (2014/15 £35,287) to The Society of All Saints, Sisters of the Poor. In addition there is a contribution of £5,250 (2014/15 £3,938) to the maintenance of the communal garden. The Trustees of The Society of All Saints were members of Helen & Douglas House until October 2016.

14 Unrestricted and designated funds

	2016/17 £000	2015/16 £000
General charitable funds	9,170	9,904
Designated funds	4,162	4,047
Non charitable trading funds	8	8
	<u>13,340</u>	<u>13,959</u>

The funds are represented by:

	Restricted £000	Designated £000	Unrestricted £000	2016/17 £000
Fixed Assets			6,295	6,295
Investments		4,162	1,477	5,639
Current assets	157		1,899	2,056
Current liabilities			(493)	(493)
	<u>157</u>	<u>4,162</u>	<u>9,178</u>	<u>13,497</u>

	Restricted £000	Designated £000	Unrestricted £000	2015/16 £000
Fixed Assets			6,921	6,921
Investments		4,047	655	4,702
Current assets	163		3,031	3,194
Current liabilities			(695)	(695)
	<u>163</u>	<u>4,047</u>	<u>9,912</u>	<u>14,122</u>

The designated funds comprise:

Lease commitments:

This fund is set aside to cover the future lease commitments of the charitable company, in respect of property and vehicles.

Redundancy fund:

This fund ensures that the charity has sufficient funds set aside should it need to cease and therefore meet its statutory requirement to pay redundancy to employees.

Shop fund:

This fund is set at a level to meet possible future commitments in relation to leases the Charity holds on retail shop units with regard to dilapidations.

Maternity fund:

This fund has been created to offset any significant additional costs of any maternity leave within the whole organisation.

Helen & Douglas House
Notes to accounts for the year ended 31 March 2017

	Balance 01/04/2015		Income		Expenditure		Transfers between funds		Balance 31/03/2016		Income		Expenditure		Transfers between funds		Balance 31/03/2017	
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
15 Restricted funds																		
NHS England Hospice Grant	0	280	280	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NHS CCG & Social Services	0	465	465	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Siblings work	0	60	59	0	1	0	1	0	1	0	1	0	1	0	0	0	0	0
Chaplain	0	11	11	0	0	0	0	0	0	0	9	9	0	0	0	0	0	0
Nursing	66	193	215	0	44	0	44	0	56	100	0	0	0	0	0	0	0	0
Cancer care	0	82	82	0	0	0	0	0	7	7	0	0	0	0	0	0	0	0
Art room	1	1	1	0	1	0	1	0	3	0	0	0	0	0	0	0	0	4
Activities	3	8	6	0	5	0	5	0	5	5	0	0	0	0	0	0	0	5
Music therapy	11	6	14	0	3	0	3	0	3	6	0	0	0	0	0	0	0	0
Outreach work	0	19	19	0	0	0	0	0	14	14	0	0	0	0	0	0	0	0
Shaw Trust Bridging Gap	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Thames Valley Health Education	29	0	0	0	29	0	29	0	0	0	0	0	0	0	0	0	0	29
Clinical training	36	0	0	0	36	0	36	0	0	0	0	0	0	0	0	0	0	36
Clinical equipment	28	21	0	33	16	39	16	39	0	0	0	0	0	0	0	0	0	55
Transport Fund	18	0	0	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Clinical Governance	0	35	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Digital marketing	0	28	0	0	28	0	28	0	0	0	0	0	0	0	0	0	0	28
	193	1,209	1,188	51	163	136	142	0	157	0	0	0	0	0	0	0	0	157

NHS England Hospice Grant

The NHS England Hospice Grant is annually awarded and has been fully allocated to the cost of the medical team.

NHS CCG & Social Services

Contributions from a Clinical Commissioning Group (CCG) or Local Authority are typically attributed to the care of specific patients. However, we also receive a small number of grant agreements that recognise the overall support that we provide to those CCGs. In 2015/16 we had grant agreements with:

NHS Chiltern CCG £44,600

NHS Aylesbury Vale CCG £28,600

NHS Milton Keynes CCG £20,720

All the funds received from public sector sources were fully used in the financial year for the purposes intended.

Sibling work

Support to siblings whose brothers and sisters receive care in Helen & Douglas House. We also provide bereavement support for children whose brothers and sisters have died. This area of care has been funded by BBC Children in Need.

Chaplain fund

These are restricted donations to fund the post of Chaplain, who supports the spiritual needs of patients and families.

Nursing Care in Helen & Douglas House

We receive funding to be able to provide specialist nursing care to children and young adults. This covers our House Managers, Clinical Governance Co-ordinator.

Cancer Care

This fund is to provide specialist cancer care to patients in Douglas House. The expenditure is on salary costs.

Art Room

The income in this fund has been generated from the sale of items produced by the patients in Douglas House. All income is to be re-invested into resources for the art room.

Activities

This fund covers in-house activities for our guests. One part of the fund covers the Art Room in Douglas House and for creating a Living Wall in Helen House.

Music Therapy

This is for the cost of providing Music Therapy to children and their siblings in Helen House and Douglas House.

Outreach Project

The aim of this fund is to cover costs of Outreach Workers, who provide assistance in the patient's home.

Shaw Trust 'Bridging the Gap'

This fund was restricted for funding received from the Shaw Trust in relation to the Bridging the Gap project.

Thames Valley Health Education

A fund of money to help continued development of clinical supervision within the organisation.

Clinical Training Fund

A restricted fund of money to help pay for internal training of Helen & Douglas House clinical employees.

Clinical Equipment

This fund is for the donations we receive that are required to be spent on purchases of large items of clinical equipment.

Transport Fund

The Banbury Community Transport Association Ltd fund to support the transport needs of our patients and personnel.

Clinical Governance

This fund has been set up in order for Helen & Douglas House to fund the Clinical Governance co-ordinator job role.

Digital Marketing

This restricted funding has been received to help pay for a Digital Marketing job within the Marketing Team. It is hoped that it will improve the on-line presence of the charity.

16 Contingent liability

NHS Pension Contributions

Recently the Charity has been asked to confirm historic NHS Pension contribution rates for some former employees. This has highlighted some concerns over the accuracy of past data submissions. Due to insufficient information it is not possible to identify any further data corrections that may be needed or if the original contributions paid were correct.

Care Quality Commission

Following the death of a Douglas House patient in May 2016 the Charity is aware of pending legal proceedings. Any fine imposed by our regulator, the Care Quality Commission (CQC) is not covered by insurance. At this time we are unaware of whether the CQC will be taking out proceedings against us, or the level of any penalty.

17 NHS pension scheme

The NHS Pension Scheme is an unfunded occupational scheme backed by the Exchequer, which is open to all NHS employees and certain employees of other approved organisations. Helen & Douglas House is an approved organisation. The Scheme provides pensions based on final salary, in varying circumstances, for employees of participating employers. The Scheme receives contributions from employees and employers to defray the costs of pensions and other benefits.

From 1 April 2006 the NHS Business Services Authority (the Authority) have been the body responsible for the administration of the NHS Pension Scheme for England and Wales. In support of the Authority, NHS employers are required to explain the Scheme to employees. In addition they submit pension data to the NHS Business Services Authority (NHSBSA). To ensure proper administration the Hospice outsources the management of this Scheme.

Every four years the Government Actuary conducts a full actuarial review of contribution rates, the last one being March 2012 which concluded:

"a) that the employer contribution rate payable from April 2015 would be 14.3% of pensionable pay, to be reassessed at the actuarial valuation carried out in March 2016. Any change as a result of this will become effective from April 2019."

"b) that the notional fund value at the time of the valuation stood at £230 billion, with

scheme liabilities of £240 billion, producing a net deficit for the scheme of £10 billion"

The increase in employer contributions was introduced to help reduce this notional deficit. Participating employees contribute on a tiered scale from 5% - 14.5% of their pensionable pay. The charity has no further liability arising from its participation in this scheme, over and above its employer contributions.

Further information on benefits can be obtained from the NHS Pension Scheme website.

18 Prior Period Adjustment

At the end of the 2016/17 financial year the depreciation rates and categories were revised. The category of 'Buildings' has now been split into two elements. The first is just 'Buildings' and reflects a higher depreciation rate on the original cost of our buildings. The rate chosen better represents our original lease period and a new lease that is expected in 2022. The second sub category is called 'Building Improvements'. This is where the changes to the buildings internal structures is depreciated at a higher rate to show quicker consumption and likely need for refurbishment, quicker than the main building structure.

The table below shows the previous and new depreciation rates and categories:

Category	2015/16	2016/17 Change
Buildings	2.0%	2.5%
Building improvements	-	10.0%
Fixtures and fittings	15.0%	15.0%
Computer equipment	33.3%	33.3%
Motor vehicles	25.0%	25.0%

18 Comparative SOFA

	Restricted £000	Unrestricted £000	Total 2015/16 £000
Income from:			
Donations & legacies	464	2,864	3,328
Charitable activities	745	0	745
Other trading activities	0	5,174	5,174
Investments	0	219	219
Total	1,209	8,257	9,466
Expenditure on:			
Raising funds: Donations & legacies	0	1,143	1,143
Raising funds: trading activities	0	4,604	4,604
Charitable activities: Hospice care	1,118	3,876	4,994
Charitable activities: Bereavement	70	239	309
Total	1,188	9,862	11,050
Net income/(expenditure) before net gains/(losses) on investments	21	(1,605)	(1,584)
Net gains/(losses) on investments	0	(121)	(121)
Net income/(expenditure) after net gains/(losses) on investments	21	(1,726)	(1,705)
Transfers between funds	(51)	51	0
Net movement in funds	(30)	(1,675)	(1,705)
Reconciliation of funds:			
Total funds brought forward	193	15,634	15,827
Total funds carried forward	163	13,959	14,122

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