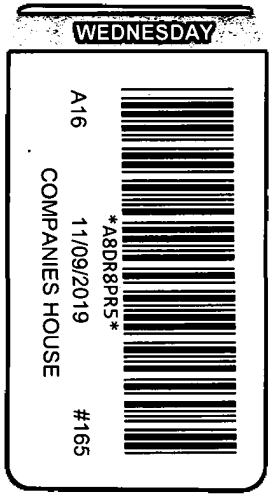
Annual Report and Accounts 2018/19

For the year ended 31.03.19
Company number 1360961



Dorothy House
HOSPICE CARE

Contents

DOROTHY HOUSE
(formerly THE DOROTHY HOUSE FOUNDATION LIMITED)

Company number: 1360961
Charity registration: number 275745
Principal address: Winsley, Bradford on Avon, Wiltshire BA15 2LE

The Trustees (who are directors of the Charity for the purposes of the Companies Act) present their report together with the financial statements of the Charity for the year ended 31 March 2019.

The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and SORP 2015.

Trustees' and Strategic Report

Introduction

In April 2018, Dorothy House launched its new Strategic Plan - "Everyday, Everyone" 2018-25 – which provides us with a strong framework for our future work so we can better meet increasing patient need, grow as an organisation and generate more money for services.

The Strategic Plan has been rolled out over the last financial year, both internally and externally, and our aspirations for the future are now well understood. As part of the annual planning and reporting cycle at Dorothy House we will plan and measure our impact against the seven year Strategic Plan. Accordingly, we continue to develop a set of Key Organisational Outcomes (KOOs) linked to our strategic goals, against which we will continually measure our performance.

What is clear is that to achieve our goals we need ever greater collaboration with key external stakeholders – fellow health and social care providers, Third Sector partners, businesses and more. Over FY18/19, our work with our CCGs, GPs, Macmillan, East Mendip eco-system Alliance members and more are indicative of our growing partnership works.

Clearly, we also have to look internally as to how we will achieve our strategic goals. Our strength lies in our workforce and their skillsets and we have invested accordingly – 10% more expenditure – to add resilience and build capability. Aligned to the NHS Agenda for Change pay scales, we are committed to recruiting the health and social care workforce that we need.

Though to continue to provide high-level services with a growing elderly population, living longer with life-limiting illnesses, we face growing expenditure year on year. How are we to tackle this?

Firstly, we need to make cost efficiencies in our service delivery. Over FY18/19 we have made savings through improving many of our clinical processes including appointment scheduling, referral management, booking of bank staff and more effective procurement. For the next financial year, every Head of Department has a 3% savings target on prior year levels to achieve.

Second, we need to augment our existing income streams. Retail has performed more strongly this year, aided by workforce development and improvements to our shops. In terms of clinical income, we conducted an in-depth review of Continuing Healthcare (CHC) Fast Track processes in FY18/19 to ensure that appropriate funding is sought for the care provided. We also invested in growing our Hospice at Home capacity, demonstrating impact to our NHS commissioners and highlighting the reducing proportion of funding they provide.

Third, although our Fundraising Team continues to work hard in an increasingly competitive area, like all our fellow hospices and charities, we need to develop new income streams. We are therefore exploring innovative commercial opportunities and launched lifestyle brand, Ubiety, in February 2019 with its first range of natural body and home fragrance products. The learning from this first commercial venture will be significant as we seek to develop additional new revenue streams over the coming year to help us achieve our strategic goals.

Objectives and Activities

Overall purpose

"The objects for which the Charity is established are, for the public benefit, to promote by such charitable means as the Trustees shall from time to time think fit the relief of sickness among people suffering from any chronic or life-limiting illnesses of any description through the provision of treatment, holistic care, financial assistance, support, education and practical advice for such individuals, their families, dependants and carers and to advance the education of the general public in all areas relating to such conditions."

Dorothy House, Objects, Articles of Association – Revised 2018, approved by Charity Commission following Members' Resolution 26 March 2019

Our core philosophy

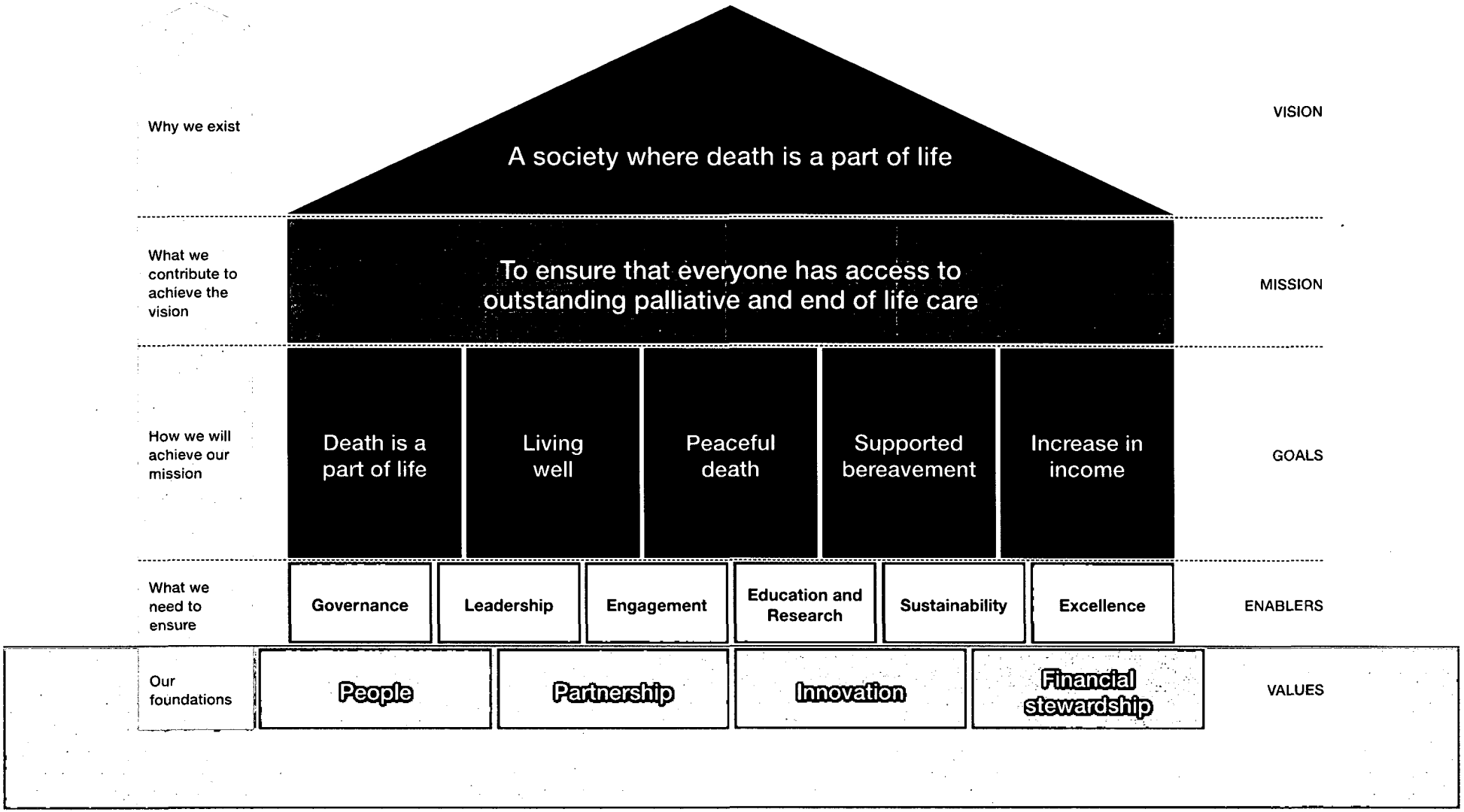
"You matter because you are you, and you matter until the last moment of your life. We will do all we can, not only to help you die peacefully, but also to live until you die."

Dame Cicely Saunders, 1918-2005 – Founder of the modern day hospice movement

Everyday, Everyone: Dorothy House Strategic Plan 2018-2025

Working with The Centre for Charity Effectiveness at Cass Business School, we formally launched our Strategic Plan in April 2018. Our strategic vision, mission, goals, enablers and values are detailed on the following page.

Our strategic house



Our Activities
Below is a list of the services we currently provide (FY18/19) at Winsley, our outreach centres or out in the community. All of these help us to achieve our overall purpose and objectives and provide the best care we can for patients, their families and carers.

Dorothy House (DH) continually monitors the effectiveness of these services through number of patients seen and contacts made, clinical audit, patient/carer feedback and specific service reviews.

A Medical Team: Our doctors are involved in the assessment, treatment and management of complex symptoms/issues. They provide patient consultations on Hospice premises, at the Royal United Hospital (RUH) Bath and within the community. In addition they provide 24/7 availability of advice to other professionals about any palliative care issue. They are involved in the delivery of professional training and mentoring to medical students, junior doctors in training and qualified doctors working in the community and acute hospitals. They provide support to a neighbouring hospice through the provision of the Responsible Officer role. We participate in the annual High Level Responsible Officer Quality Review.

Inpatient Unit: The management and delivery of a 10 bed Inpatient Unit (IPU) using a Multi-Disciplinary Team (MDT) approach. The IPU provides assessment, treatment and management of complex symptoms/issues, planned or acute respite care and rehabilitation/adaptation to the effects of disease progression and terminal care.

Day Patient Services: Patients can attend a nurse-led unit on the same day each week to achieve planned goals based on initial assessment, at which they benefit from specialist MDT assessment and the management of their complex issues. DH also provides a growing range of informal wellbeing, relaxation, exercise and social groups across its three sites.

Clinical Nurse Specialists (CNSs) operating within the community: Our CNSs work in partnership with General Practitioners (GPs) and District Nurses across the region to support patients, families and carers in a variety of community settings through initial assessment, education and ongoing management of complex needs until discharge or death. The team also offers advice, information and support to professionals and assesses the initial bereavement needs of families and carers after the death of a DH patient.

Hospice at Home Service: Our Hospice at Home service provides care delivered by highly trained healthcare assistants within the patient's home or residential care setting. We support patients with a palliative diagnosis
in the last year of life. We provide:

— Respite Care: Two nights overnight respite care per week in last 12 months of life
— Crisis Care: Up to 24/7 rapid response in last 12 months of life (max 28 days)
— End of Life Care: Up to 24/7 care in last 2 weeks of life.

This service enables patients to be cared for and die at home, can help avoid hospital admissions and enable discharge from hospital. A key part of the service is our work with the RUH Bath Specialist Palliative Care Team to facilitate patients' discharge from the RUH at end of life to their preferred place of care/death.

Family Support Services:
The Family Support Services provide access to:

— Adult social work
— Children and Young People's services
— Bereavement services
— Psychological support (pre-bereavement)
— Chaplaincy/spiritual care
— Companions service.

The services operate five days a week, Monday to Friday, although spiritual care is available at all times and weekend activities are available for bereaved children and their families.

Family Support Services are provided at Winsley (through the Inpatient Unit and Day Patient Services), at the Dorothy House outreach centres in Trowbridge and Peasedown St John and in the community. The length of referral is determined by the patient and family need which in turn may also depend on stage and nature of illness, family function and resources, levels of support, etc. Social workers and counsellors/therapists liaise with GPs and other health and social care professionals and schools when needed.

The Hospice continues to develop a range of more informal bereavement and psychological support groups, for example, the monthly Teens Support Group and newly formed Friends in Grief (FIG).

Therapies

Physiotherapy: This service is offered to patients to provide ways to help maintain and improve independence and manage symptoms. Our approach to patient rehabilitation, resilience and longevity of quality of life has been commended by NHS England (NHSE) and is recognised as a pioneering approach to patient care.

Occupational Therapy (OT): The team offers help to patients in order to address problems that impact on independence, safety and quality of life. They provide assessment in the home environment for equipment and adaptation, setting priorities and promoting independence and choice. The team also offers a range of activities and courses.

Lymphoedema Service: Our palliative and non-palliative service enables DH to provide nurse-led services at local clinics, our three Hospice sites and a range of community settings.

Complementary Therapy (CT): Our CT team provides a range of complementary therapies to patients, families, carers and bereaved clients. The service, designed to complement conventional treatments and promote wellbeing, is led by a Registered Nurse who is also a qualified complementary therapies practitioner. Therapies are given by qualified volunteer therapists and include reiki, aromatherapy and reflexology.

Creative Arts: The Creative Arts Team give patients, their families and carers the chance to explore a variety of creative arts which can provide focus and diversion at a difficult time and can also help address practical, psychological, social and spiritual needs. Activities include the making of creative keepsakes, hand casts and life stories.

Nutrition: DH clinical staff undertake on-going nutrition assessments and provide advice and support to patients, their families and carers. Complex cases are referred to the DH Dietitian.

Education, Research and Professional Development: Education remains a key pillar of our services, offering:

- Support to all DH clinical staff in their professional development and palliative care updates
- A range of educational programmes to enable colleagues across all health and social care settings to increase their knowledge and understanding of caring for people with a life-limiting illness and at end of life
- Research, debate and publication
- The facility to host education programmes and visits as required by DH professionals.

Objectives for the Financial Year (FY) 18/19

For FY18/19, we set out a number of focused, operational objectives as we work towards achieving our new strategic goals. These were approved by the Trustees in March 2018, as outlined in our Annual Report FY17/18:

1. To deliver FY18/19 budget to an agreed year end deficit of ≤ £589k, unrestricted and service development reserves of ≥ £7.5m and an emphasis on a sustainable, balanced portfolio of income streams
2. To provide leadership and clear guidance around the new Strategic Plan, ensuring its effective and integrated delivery and reporting quarterly against the five key goals
3. To deliver revised structures and improve operational capability for our clinical services, enabling DH to have wider reach and impact within the community
4. To provide excellent governance across the organisation whilst driving appropriate levels of innovation
5. To develop and lead effective networks and partnerships with stakeholders locally, regionally and nationally, to reinforce the strategic intent of both DH and the wider hospice sector.
6. To develop presence and gravitas within the hospice, health and social care sectors in order to influence the NHS community and other palliative and professional organisations, on both a UK and international basis

Achievements

Did we achieve our objectives?

1. **To deliver FY18/19 budget to an agreed year end deficit of ≤ £589k, unrestricted and service development reserves of ≥ £7.5m and an emphasis on a sustainable, balanced portfolio of income streams**

Reserves
In FY18/19 we moved to a system of risk-based reserves which is measured as free cash and investments. These reserves at year end stood at £6.4m against a budget of £7.5m and well above the minimum calculated by our risk-based Reserve Policy at £5.3m. As a result we were comfortable with an increased deficit in FY18/19 and invested surpluses in our workforce and infrastructure.

Workforce investment
In order to deliver the Strategic Plan, the focus in FY18/19 was on investing in capability and capacity and we budgeted a £589k deficit which used surplus reserves. With a shortfall in legacy income however, the year end deficit was greater at £1,633k. To fulfil a growing demand for care and to enable future revenue growth, we have invested strategically in our workforce including clinical leadership, business development (Greenhouse) and the Clinical Coordination Centre.

Infrastructure investment
Capital expenditure has been necessary to support our workforce, including the replacement of our IT server across the organisation and the completion of the Winsley car park. With approximately 14,000 visitors per year to our Winsley site, this building work was much needed operationally, not only to accommodate patients, families, carers and staff but also our growing offer of palliative education and training programmes at Winsley.

The refurbishment of the Collins Wing, made possible by the generous donation in memory of Roy and Joyce Collins, has enabled clinical staff to be co-located, thereby improving our care coordination.

Balance portfolio of income streams
Our aim has and continues to be cost efficiencies in service delivery, augmenting existing revenue streams and developing new income streams.

Our lifestyle brand – Ubiety – was launched in February 2019 by the Greenhouse Team with a first collection of natural body and home fragrance products available online and in select retail outlets. Development of this new income stream has been a story of gifted local business collaboration, generous support from our partners and a desire to generate as much profit as possible for Dorothy House.

The Greenhouse Team are looking at other commercial options to drive income alongside on-going support to other DH teams around cost efficiencies and maximising current sources of income including our NHS contracts and fundraising portfolios.

2. **To provide leadership and clear guidance around the new Strategic Plan, ensuring its effective and integrated delivery and reporting quarterly against the five key goals**

Key Organisational Outcomes (KOOs) development
The Strategic Plan has been rolled out internally over FY18/19. In order to chart DH's progress over the life of the seven year Strategic Plan, we have developed a set of Key Organisational Outcomes (KOOs), linked to the five strategic goals, against which we will measure our performance (see p17).

The KOOs seek to measure our performance quantitatively, but will need to be supported by qualitative evidence of our impact. Whilst the KOOs will evolve over the life of the Strategic Plan, not least as we improve and update our reporting mechanisms, the focus on achieving our strategic goals will remain the same.

Internal leadership changes
Strategic clinical appointments made over FY18/19, including a Clinical Lead for Community Services and a Programme Manager, will be pivotal to the success of achieving our strategic goals. Added to this, the new Heads of Department (HoDs) forum established in January 2019 will allow for greater connectivity between both clinical teams and wider support function departments within the Hospice. This in turn will enable a shared understanding of the Strategic Plan and how to incorporate it into yearly departmental planning and reporting.

3. To deliver revised structures and improve operational capability for our clinical services, enabling DH to have wider reach and impact within the community

Clinical Coordination Centre development
Launched in FY17/18, the Dorothy House Clinical Coordination Centre (CCC) provides a single point of access to all our clinical services, ensuring coordination without duplication. The accompanying new systems within CCC includes a more holistic, patient-centred referral system, extended working hours for taking referrals and a new integrated MDT model to support referrals.

In August 2018 the CCC and Hospice at Home teams merged and co-located in the newly refurbished Collins Wing, enabling ever closer working. This FY has seen changes to the CCC's triage system, ensuring that initial conversations with a patient occur at the start of each referral process. CCC will continue to develop.

Hospice at Home impact
In January 2018, we have strengthened our Hospice at Home service so that we can respond to growing need in the last 12 months of life (previously last 3 months).

Using charitable funds, we invested an additional £129k in our service to provide access to Hospice at Home much earlier for patients, to increase our care provision and to help avoid hospital admission or enable hospital discharge.

This service now provides respite, crisis and end of life care and each referral can involve multiple visits/ episodes of care. FY18/19 has seen a 33% increase in visits made on previous FY. Given our widened Hospice at Home care offer and the need for external funding for the service, DH conducted an internal research piece evidencing that each visit/episode of care results in at least one hospital admission avoidance.

Funding channels remain complex including main NHS contracts with our three CCGs and separate contracts with Wiltshire and Virgin on behalf of BaNES CCG for enabling earlier hospital discharge. However, we are demonstrating clearly now the role that this service can play within the health and social care system in terms of hospital admission avoidance.

Advanced Nurse Practitioners introduced
In late 2018 we introduced the new role of Advanced Nurse Practitioner (ANP) within the senior team on the IPU, as we develop our models of care. Supported and mentored by the Medical Team, ANPs will take on key responsibilities within the IPU, increasingly providing more complex care as they grown in experience and confidence. As at year end, two ANPs are progressing their skills and working on the IPU. A quality impact assessment is underway and will be reported to the Executive Team in May 2019.

Motor Neurone Disease (MND) care
Our partnership with the Motor Neurone Disease Association (MNDA) and the RUH continues with the provision and joint-funding of a Motor Neurone Disease Specialist Nurse who meets patients at diagnosis and can provide them with specific MND palliative and end of life care and a single point of contact for both patients and professionals.

In FY18/19 our MND Specialist Nurse developed respiratory, gastronomy and saliva management pathways for MND patients, following MNDA best practice guidelines. This will enable more coordinated management of MND patients across the different RUH departments and Dorothy House.

Expanding psychological support
The Muddy Footprints project, which offers bereavement support and remembrance activities with a forest school approach, has been expanded to offer support to children bereaved of anyone significant, not just a parent. Presented at the annual Hospice UK Conference, this project is enabling us to reach more families needing bereavement support.

Growing in popularity, the Teens Group (for bereaved teenagers) produced a series of short films over the year to help raise awareness of child bereavement and the group itself. In tandem, we have started a support group for parents/carers of the teens which meets at the same time, separately but nearby, enabling families to travel together.

Accessible Information Standard
In line with Accessible Information Standard, we continue to develop our services to meet the needs of those with a disability or sensory loss. During FY18/19 this included the development our printed material to easy read format, rolling out resources for the hard of hearing and introducing a pain assessment tool for patients who are unable to verbalise.

4. To provide excellent governance across the organisation whilst driving appropriate levels of innovation

Governance changes
DH's Governance Review, conducted in FY17/18, provided a framework for the work of the Governance Committee throughout FY18/19. This included a review of the Trustee Committee structure to avoid duplication of work, improve efficiency and streamline Trustee time spent in committee. In line with the Charity Governance Code, DH now has 13 rather than 15 Trustees.

In FY18/19, the Hospice's Governance Framework and documentation were also reviewed, including the Articles of Association which were changed to reflect changes in the Companies Act. Charity Commission approval was granted for changes to DH's charitable objects (see above) and change of name in line with the Charities Act.

Changes were made to Trustees recruitment and the induction process and a new Governance handbook was developed for Trustees, setting out more clearly their roles, duties and responsibilities, ExecutiveTeam's role and the DH Governance framework.

The recommendation of the Governance Review was implemented for reporting to the Board of Trustees to be delivered against new strategic goals and linked to Key Organisational Outcomes (KOOs).

An internal audit of DH Governance in Feb/March 2019 found that all Governance, including new arrangements, were in good order.

Information Governance and Cyber Security
Cyber Security, key to safeguarding the electronic data and digital assets of Dorothy House, has been a strong area of focus in FY18/19. There have been a series of training events for DH staff over the year including a number of events during Digital Awareness Month in July 2018.

DH changed its password policy in November, in line with National Cyber Security Centre Guidance. CyberScore, a cyber security testing and rating service, has also been introduced which will help towards achieving Cyber Essential Plus, a higher level UK government accreditation demonstrating the levels of security of our information.

With regard to clinical information, we comply with the Data Security and Protection Toolkit (formerly the NHS Information Governance Toolkit) which is mandatory as part of our NHS contracts and which now has a pronounced emphasis placed on cyber security.

GDPR
May 2018 saw the introduction of two new pieces of data protection legislation: The General Data Protection Regulations (GDPR) and the Data Protection Act 2018 (DPA 18). In line with the principles of this legislation we have reviewed all our data processing activities across Dorothy House to ensure we have a legal basis for each different processing activity. We have written privacy statements, which are available on our website, to explain how and why we process person identifiable information and how we keep it secure. The Information Governance Steering Group continues to review our compliance with data protection legislation.

5. To develop and lead effective networks and partnerships with stakeholders locally, regionally and nationally, to reinforce the strategic intent of both DH and the wider hospice sector

Our local and regional work is informed by the need to fulfil our Strategic Plan and work in line with the NHS Long Term Plan which focusses on integrated community-based health and social care.

East Mendip Alliance
Dorothy House recognises that it needs to work closely within its communities if it is to understand what is important to everyone at end of life and ensure that individuals, and those supporting them, have access to the right end of life care and support.

To do this the development of community-based eco-systems is required; these are formed partnerships, dedicated to the development of sustainable solutions

where alliances will be established.

The first such alliance is the East Mendip Alliance, now established with nine stakeholders attending monthly meetings. The aim is to map local need, test new ways of working and develop collaborative/sustainable models of care to meet this need. The emerging DH eco-system model has been presented to Somerset CCG End of Life Strategy Board and was well received.

Sustainability and Transformation Partnerships (STPs)
DH continues to work on the end of life strategy group for each of its three CCGs and two of these will soon be part of one STP – BaNES, Swindon and Wiltshire – with Somerset as a separate STP.

Over the last year, we have been exploring how we will deliver our care within the emerging model of Primary Care Networks (PCNs) as outlined in the NHS Long Term Plan.

6. To develop presence and gravitas within the hospice, health and social care sectors in order to influence the NHS community and other palliative and professional organisations, on both a UK and international basis

The UK health and social care sector is faced with uncertainties around funding, resourcing and structure, not least with the unresolved issue of Brexit. Our aim is to align and work with the NHS and our fellow health and social care providers in the community.

Agenda for Change pay award
Significantly, we are one of only a few hospices to have secured additional funding from NHS England for the increased Agenda for Change pay award. Aligned to NHS nursing pay scales and receiving financial aid to help do so enables us to attract the health and social care workforce that we need.

CCG contract negotiations
In early 2019 we embarked on an intensive round of CCG contract renewal/renegotiation meetings with all three commissioners (i.e.: Virgin Care for BaNES, Somerset and Wiltshire. Lead by the Greenhouse Team, the intent with these negotiations was to redress the growing imbalance between DH service provision and payment under our contracts which had not been reviewed since 2009.

With a changed health and social care landscape, it was also important to consider our service delivery for our NHS partners more generally and the resulting reporting requirements.

Growing our community relationships
Over FY18/19 we have forged links with new groups in the community. Links to many of these groups have been made through 3SG, a body representing 192 Third Sector organisations working in the BaNES area and currently chaired by Steve Dale from the DH Community Partnerships team. Dorothy House's fundraising walk in autumn 2018, "One Man and His Dog" also resulted in the establishment of new DH community relationships and awareness-raising of the Hospice and its work.

Over the year, we have developed our relationship with the Ministry of Defence (MOD) locally. We are currently exploring ways of working together and have committed to signing the Armed Forces Covenant.

Our work with faith groups continues and the DH Chaplain now sits on the West Wiltshire Multifaith Forum. With homeless patients admitted to the IPU this year, our work with this group is also growing.

Hospice sector organisations
Hospice UK continues to be a significant partner and gives us a voice in palliative care both regionally and nationally: DH Chair of the Board of Trustees Kate Tompkins is Chair of the Forum of Hospice Chairmen and representative as a Trustee on the Board of Hospice UK.

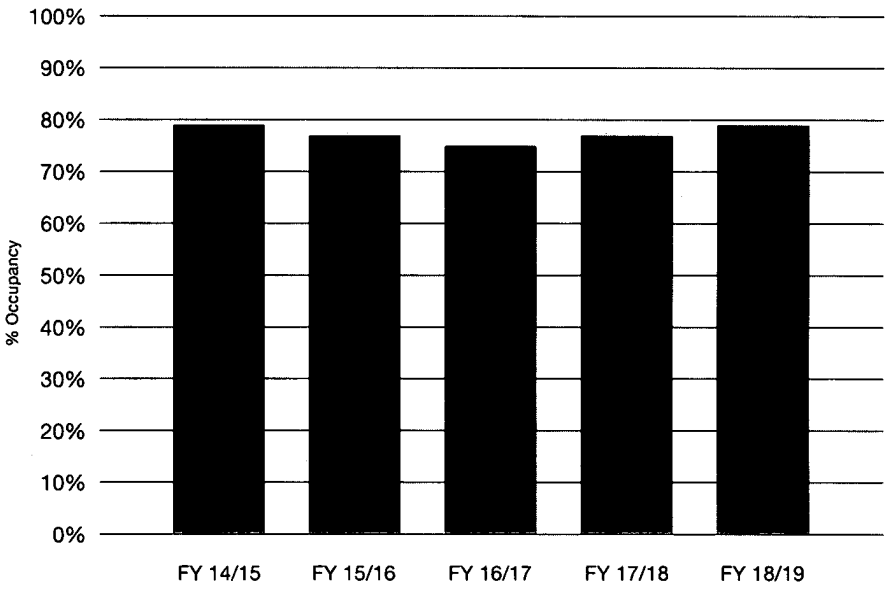
DH Chief Executive, John Davies, chairs the group of Chief Executives for hospices in the South West, a key forum for partnership building and knowledge sharing in the sector.

Performance

Key Services Activity

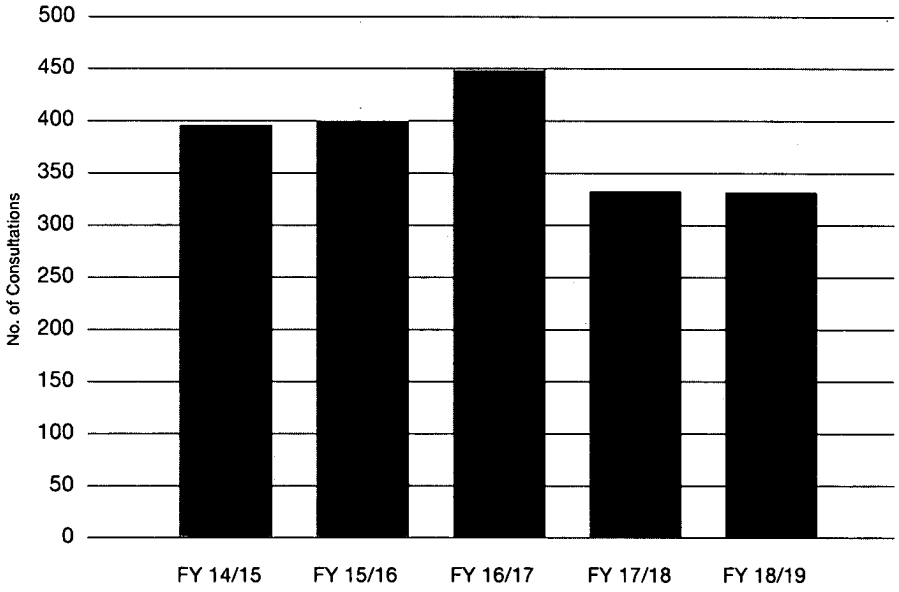
Every year we try to understand the peaks and troughs in our service activity. Set out below are our activity figures over the last five years grouped into main service areas:

IPU Occupancy Rate



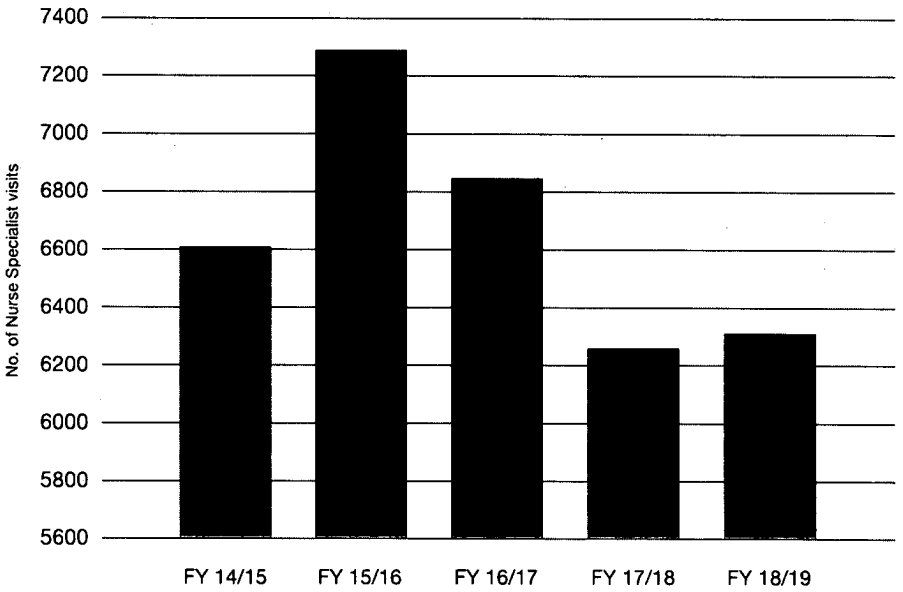
79.1% for FY18/19, up 2% on the previous FY. With a maximum occupancy goal of 80%, we continue to operate efficiently in this area.

Medical Consultations



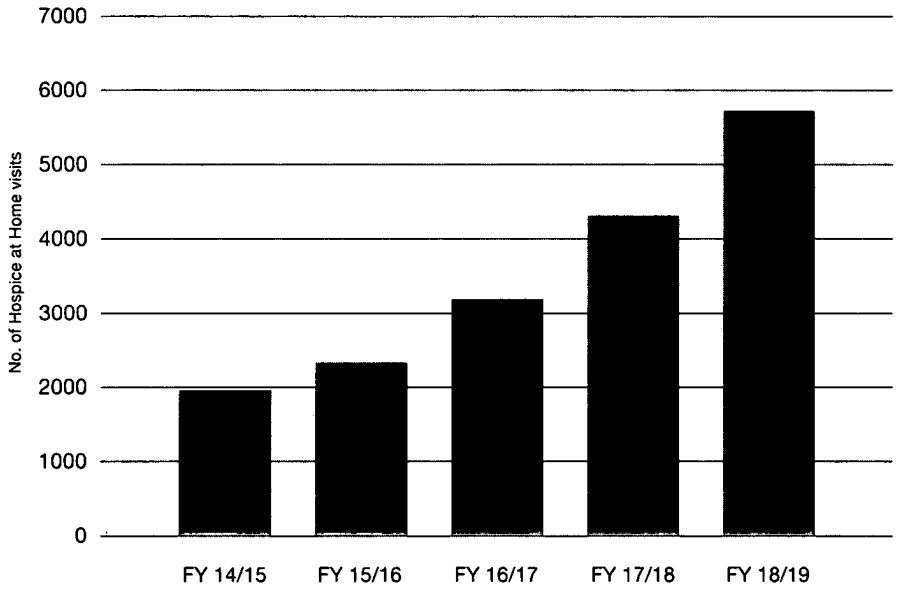
Medical consultations remained static in FY18/19 in part due to staffing considerations and also the development of less "medicalised" services more appropriate for many of our patients. A Medical Team Review will be conducted in FY19/20 to examine our medical services in more detail and plan for the future.

Nurse Specialist Visits



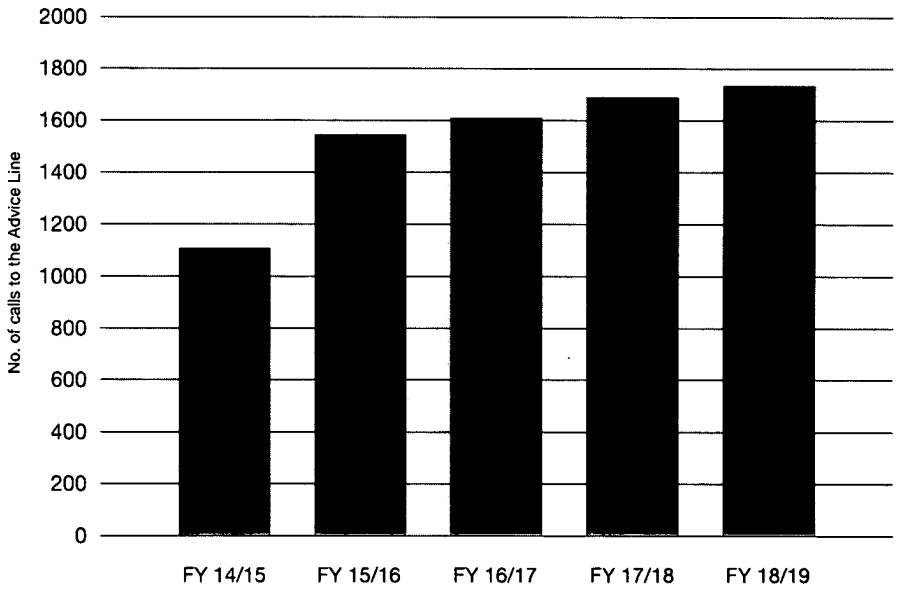
Similarly to medical consultations, with the development of our less medicalised, open access services which do not require a referral, Nurse Specialist visits have remained static.

Hospice at Home Visits



Our Hospice at Home service continues to grow in line with rising demand. We have seen a 33% increase in Hospice at Home visits overall.

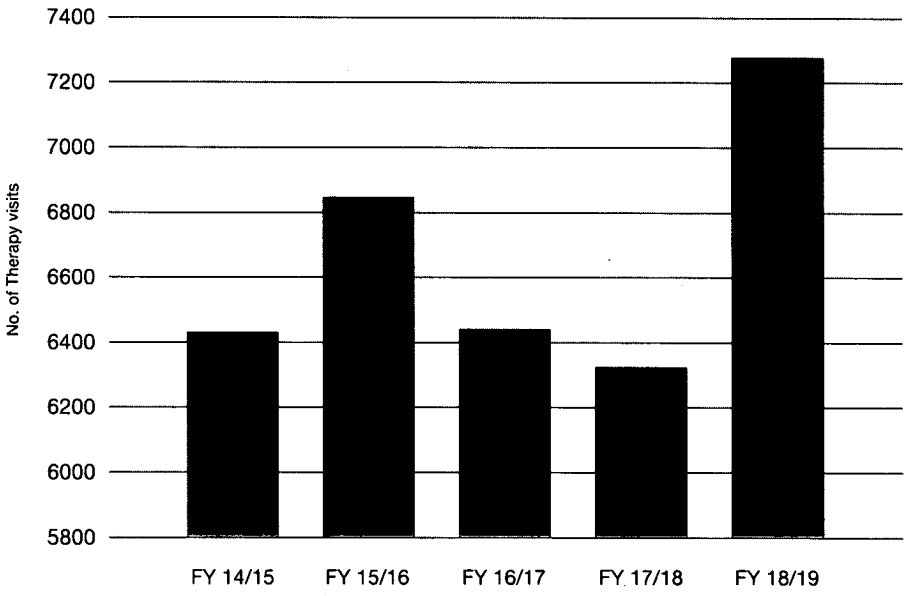
24/7 Advice Line



Accessible to professionals, patients, families, carers and the wider public, this has grown steadily over the last five years. In FY18/19, we have seen a 3% increase in calls on previous year.

Therapy visits comprise the following for patients and or their families / carers: Palliative Lymphoedema, Occupational Therapy, Physiotherapy, Complementary Therapy, Creative Arts, Nutrition, Hydrotherapy, COPE course.

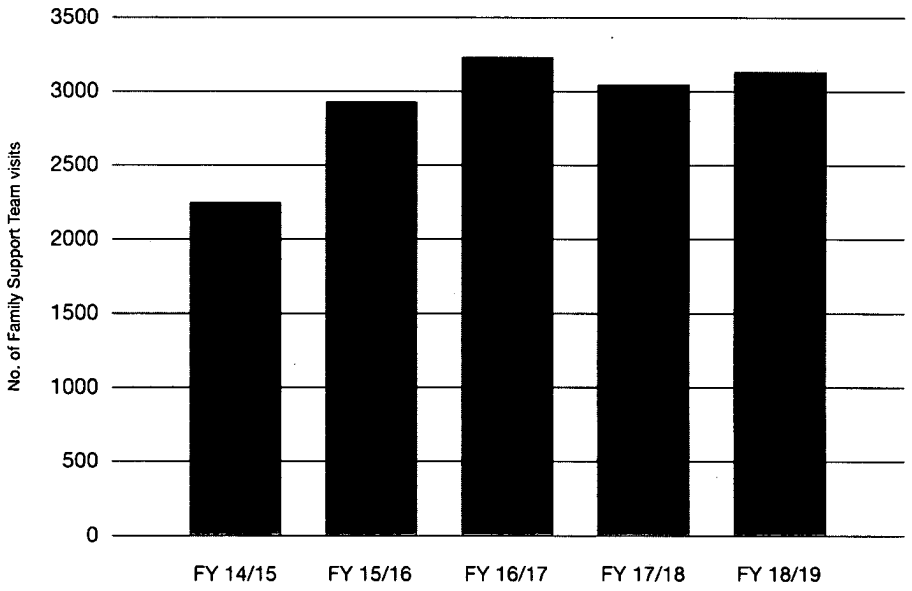
Therapy Visits



In FY18/19, we have seen a 15% increase in therapy visits on previous financial year as we develop our rehabilitative care offer. Gym use and OT appointments have increased in particular, along with a 30% increase in physiotherapy sessions.

FST visits comprise the following for patients and/or their families/carers: Adult Social Work, Children and Young People's Service support, psychological support, Bereavement, Chaplaincy.

Family Support Team (FST) Visits



We have seen an overall 39% rise in FST visits over the last five years. In FY18/19 there was an increase of 3% on previous FY.

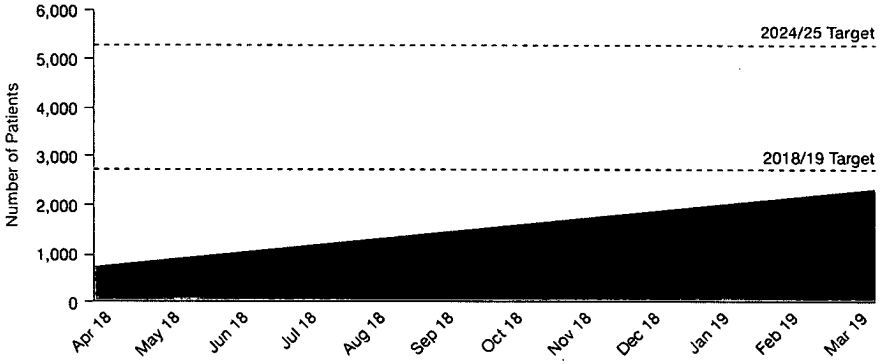
Key Organisational Outcomes

With the launch of our Strategic Plan in April 2018, we seek to measure not only outputs but also outcomes and ultimately, long-term impact. Over FY18/19 we have continued to develop a set of Key Organisational Outcomes (KOOs) against which we will measure our performance and aim for improvement each year over the life of the seven year Strategic Plan. The Board of Trustees signed off an initial set of KOOs as outlined below.

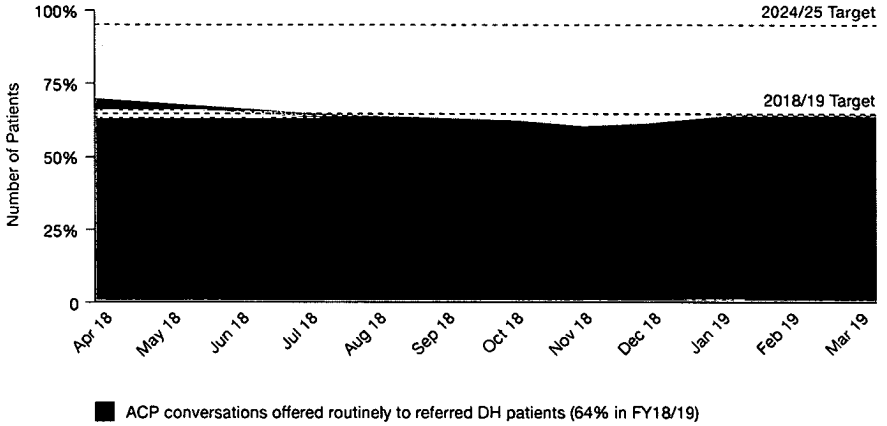
Whilst we may not have reached all our outcomes targets for FY18/19, we have seen improvement in all reported areas on the previous FY. Notably we are 34% above target on using patient outcome measures to lead our care and also above target on family and carer referrals, providing more bereavement support as per our Strategic Plan:

Death is a part of life

Palliative care need met

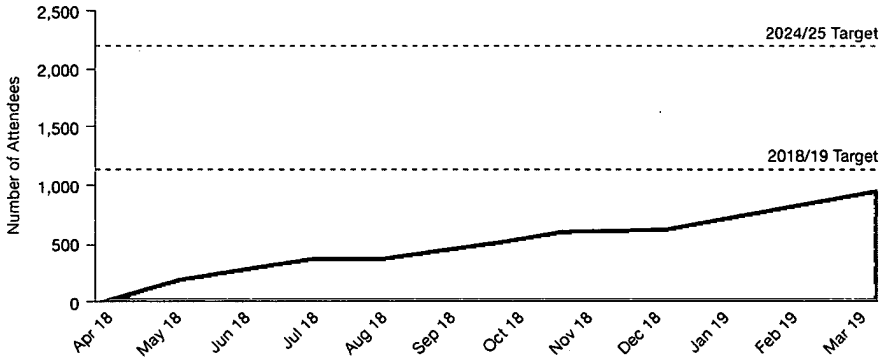


ACP conversations offered routinely



Death is a part of life (continued)

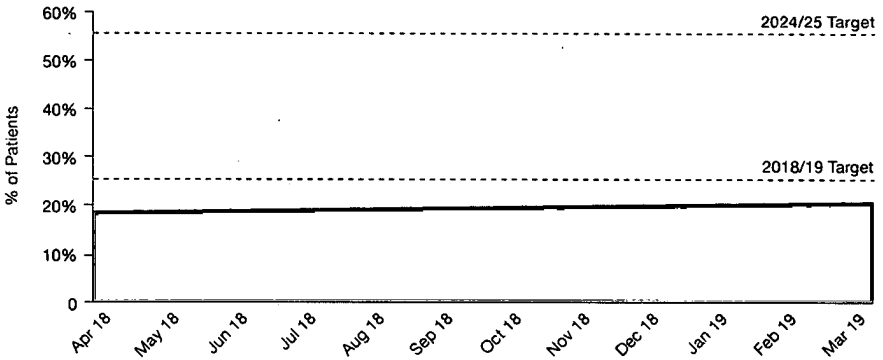
A health and social care sector trained in palliative care



No. of external health and social care professionals receiving DH education / training (973 in FY18/19)

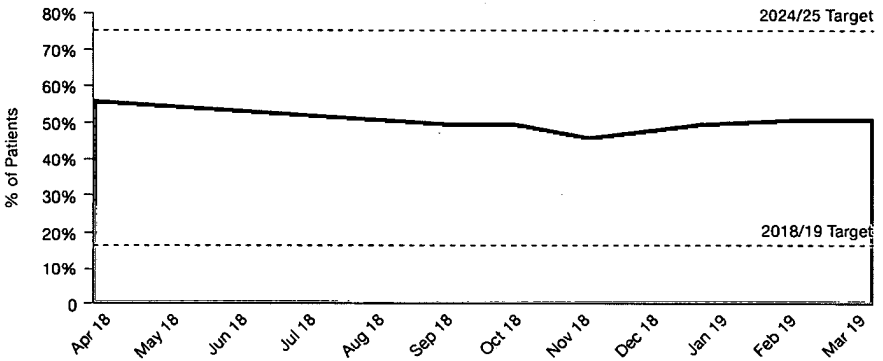
Living Well

Equitable palliative care for non-cancer patients



% of Dorothy House non-cancer patients cared for (21% in FY18/19)

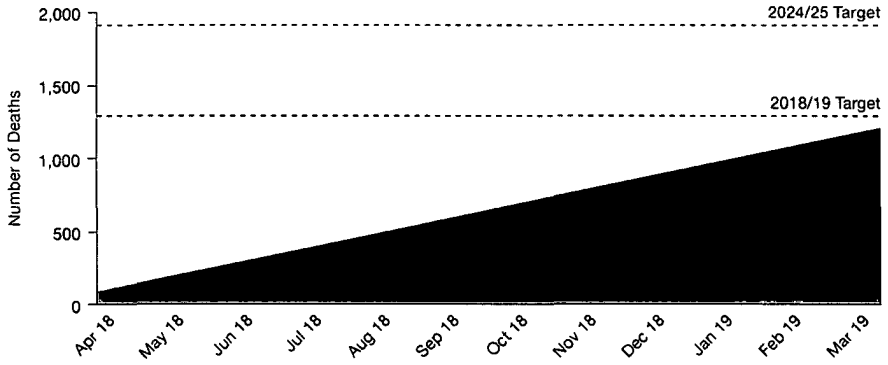
Care provided based on patient outcomes



% of patients cared for with at least one OACC suite completion (52% in FY18/19)

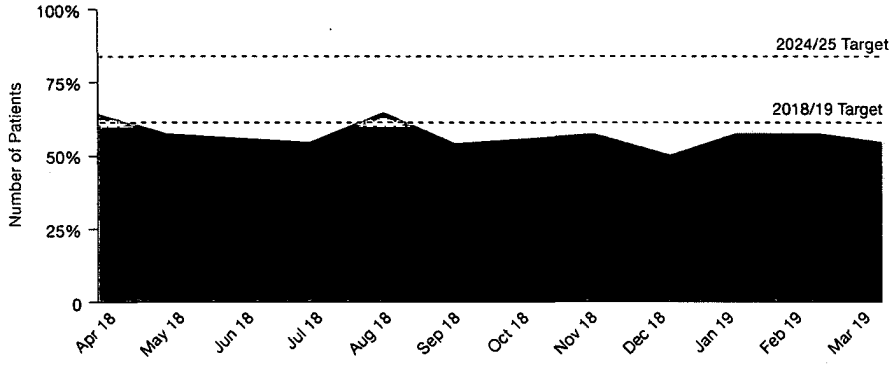
Peaceful Death

DH supporting more deaths



Number of DH patient deaths (1,204 in FY18/19)

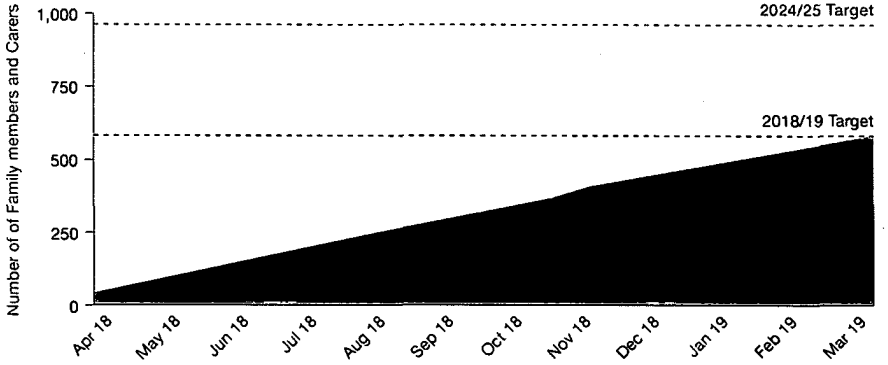
DH patients dying in Preferred Place of Death (PPD)



% of DH patients with recorded PPD achieving this (57% in FY18/19)

Supported Bereavement

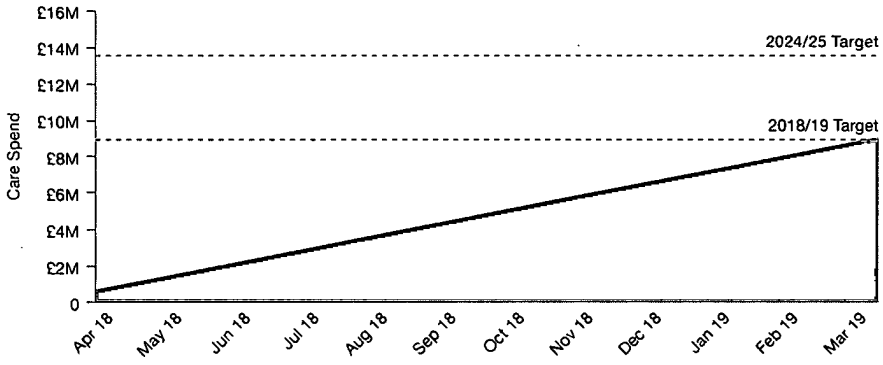
Support for DH Family members and carers



Direct bereavement support for DH family members & carers (582 in FY18/19)

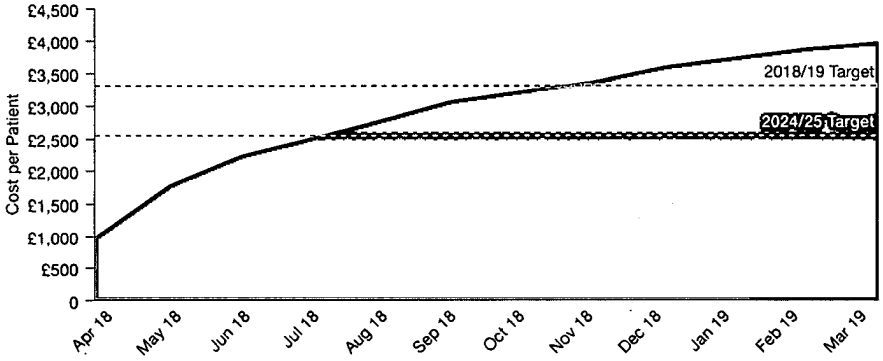
Increase in Income

DH care spend to meet needs of community



☐ Increase in DH care spend (£9.1M in FY18/19)

Efficient delivery of services maximising money spent on care



☐ Reduction in average spend per referred DH patient (£4,000 cost per patient in FY18/19)

In FY19/20 we will develop our set of KOOs further, not least the impact made from our informal and wider DH support groups such as Friends in Grief (FIG), Coffee Clubs and Carers Groups where a referral is not required. Currently we are only capturing attendances – a 52% increase on previous FY – rather than the number of people we are supporting through these open access services. As a result we are developing processes to measure this impact properly. From FY19/20 we are aligning all our clinical activity and planning to deliver the strategic goals and associated KOOs.

A full commentary on our services can be read within our Quality Account 2018/19 which also contains detailed information on our patient demographics including age, gender, ethnicity and religious beliefs.

Measuring and assessing our activities

In all our work, it is important that we assess ourselves against our objectives, both long-term and short-term, to ensure that we are achieving our aims and making an impact with the services we provide. We need the right mechanisms in place to do this.

The Board of Trustees meets quarterly and this is supplemented by the work of seven Trustee-led sub-committees who meet in advance of each Board meeting. Effective Governance has become a core component and driver of how the Hospice operates, reflected in the appropriate recruitment of subject matter experts who deliver a balance of knowledge across the committee process and the conduct of regular audit and inspections.

The Executive Team meets for a day each month and the newly developed Heads of Department meet on a monthly basis.

All these meetings are supported by the work of our Information Management Team who continue to develop our internal real-time account reporting and organisational information dashboards (for example, Key Performance Measures) so that we can constantly assess our financial performance and core activity against the objectives we have set. This real-time flow of data and analysis helps to inform all managerial decision making.

In terms of measuring and assessing our clinical services specifically, we have an annual Clinical Audit Plan which contributes to the overall Quality Improvement Plan for DH. This provides a means to monitor the quality of our care in a systematic way and creates a framework to review our services and make continuous improvements where needed. Dorothy House also initiated a Peer Review of clinical services in January 2019. This one day, mock CQC inspection was led by Weston Hospice's Director of Patient Care, Community Service Lead and Inpatient Manager and the feedback was positive.

Social Value and Volunteering

Dorothy House delivers social value to its community, not just through the care we provide to patients, their families and carers, but in broader ways such as our support for the local economy, the social isolation we combat through our volunteering programmes, the community partnerships we help forge and our care for the local environment.

A: volunteering

As ever, our volunteering workforce continues to make a vital contribution to the care and support we provide to our local community and our wider social value. As at the end of FY18/19, our volunteer figures stood at 371 volunteers in Hospice and Outreach and 695 volunteers in Retail, making a current total of 1066 volunteers.

To update our volunteering statistics, volunteer managers were asked to log volunteer hours for a week in October 2018. In this week, our volunteers gave us 3,329 hours, similar to having an extra 90 people working full time. We estimated that taking into account the cost of training, support, supervision and expenses, volunteers bring added value of over £2 million a year to Dorothy House. This is in addition to the wider social impact generated for volunteers themselves, with research suggesting it can boost self-esteem, employability and health.

New to the volunteering offer in FY18/19 has been the development of a Compassionate Companions Service to end of life patients in the RUH Bath who have no or limited family support. With additional funding from the RUH Forever Friends Appeal, this pilot will launch in FY19/20 with a team of 12 volunteers in 3 pilot wards. By year three the plan is for this to be available for all wards across the hospital.

Over FY19/20, the DH Volunteer Services Team has made more regular visits to our shops, developed resources to support recruitment and advertised opportunities more widely. The result of this increased contact has been an upwards trend in retail volunteering enquiries, better record-keeping and communication with

retail volunteers and improved safeguarding measures to support vulnerable volunteers in our shops. To support Retail Managers, we have newly launched a Volunteer Toolkit containing a handbook along with supporting documents to use in recruiting, supporting and managing volunteers.

DH is fortunate to have a number of volunteers with specialist skills who we have successfully placed in roles across the organisation, ranging from IT to marketing. We are developing a more systematic approach to managing data on volunteers' specialist skills.

Communicating with volunteers on their roles is important to DH. A new Volunteer Strategy has been developed in 2019 through a series of consultations with Managers, the Volunteer Forum and a Strategy Workshop attended by participants from all areas of the organisation. This strategy is now being used to inform the Volunteer Services Action Plan for 2019 onwards.

B: social value

In FY18/19 we have started to gain a better understanding of the wider social value generated from our community partnerships.

A vital link between Dorothy House and the communities we serve, the Community Partnerships Team was instrumental in commissioning and managing a needs analysis in the Mendip area, lead by Community First in partnership with other local organisations in FY18/19. Understanding local need around end of life services has been key to DH setting up the East Mendip Alliance – the first of a series of partnership alliances to drive change and new models of care across our communities.

Another example of our strong partnerships work which drives social value is our DH clinicians' collaboration with the Macmillan Information Team on their Bertie bus which visits towns across our catchment area, providing advice and support to people who drop-in.

In FY18/19 we established a Friends in Grief (FIG) support group model. Manned by Dorothy House trained volunteers, the aim of FIG is to facilitate a safe and supportive group environment for bereaved people in the local community at a weekly drop-in session. Crucially, this is aimed at all bereaved people as we widen access to the support and value we provide across all our communities. FIG is now well established in North Wilts and two more groups are planned for Corsham and Shepton Mallet using High Street Cafés as venues.

DH provides wider value to its community on a daily basis, from gifting the use of our outreach centre meeting rooms to other charities, to providing allotment produce to the Alzheimer's Support day care group.

Social value works both ways though and DH benefits from the gifts in kind we receive from individuals and other organisations in the community. Recycle your Cycle (a social enterprise refurbishing bikes) gift us their bikes to sell in our shops and our local fire services provide home safety advice and equipment at no charge to DH patients, families, carers, staff and volunteers. These are just some of the growing examples of social value, made possible through our community partnerships.

We continue to develop an account of our social value and consider how best to build on this so that as a health and social care provider, a charity, a retailer and community partner, we can play a pivotal role in helping to build a sustainable community.

Education & Research

In FY18/19, DH delivered 58 different end of life care related courses for its staff, the community and academia.

1,098 professionals attended various programs of education, which included 973 external participants. This represented 5,614 teaching hours of which 4,838 was delivered to these external participants and achieved a satisfaction rating of 100%. The Education and Research Team also contributed to DH income with a growth of 12% from £136k to £152k.

We ran three new successful courses in FY18/19 related to managing grief, nutrition in end of life care, and cognitive behavioral therapy related to palliative and end of life care.

Key to FY18/19 has been the setting up of a new online learning management system, based on a Moodle platform, to enable delivery of online e-Learning courses and to showcase and offer a more blended learning approach. We plan to further enhance this system and platform next year.

As we develop our educational support it is important that we understand community need. In FY18/19 the Dorothy House User Advisory Group worked with us to explore how we might develop our educational offer to

patients, families and support networks. Managed by Evolving Communities, this independent group of trained volunteers seeks the views and ideas of our services users, volunteers and staff.

Our links to academic education have strengthened. As we continue to teach on the nursing courses at the University of West of England and also the University of Bath, we are exploring opportunities to deliver teaching on their social science courses in addition. In FY18/19 we have formed a relationship with Wiltshire Further Education College regarding apprenticeship accreditation and are exploring options to deliver on a variety of their programmes.

Research

In FY18/19, we have made great strides in building our research capability to enable us to participate in and lead future research studies which will help innovate our practices and lead to better patient end of life care. We have built strong networks locally and have agreed a memorandum of understanding with the University of Bath to collaborate on joint research. We are actively recruiting a jointly managed Research Fellow to support this.

In addition, we have signed a consultancy agreement with University of Bath, enabling their Research & Development department to provide free research advice and consultancy on all aspects of our research activity. We have adopted their comprehensive Research Policy template and have established a new Research Governance Committee, which has met several times to guide and govern on all research related matters.

In FY18/19 we joined the Bath Research and Development Consortium. This is a local body of healthcare organisations (CCGs, care agencies, research funding bodies, other health care providers) working together to collaborate on areas of common research across BaNES and Wiltshire.

DH secured funding in FY 18/19 from National Institute of Health Research for developing research capability within DH. We also met with their representatives to further network on primary and secondary care research and to solicit more support for DH as we build our capabilities to deliver and participate in research.

In FY18/19, we participated in five research studies and reviewed a further seven study proposals. We are currently reviewing two DH-led research proposal hypotheses with a strong desire to launch at least one in FY19/20.

Retail and commercial ventures

Bucking the High Street trend, Retail delivered a contribution of £1,057k, an increase of 24% on previous FY.

Investment in the Retail Team has shown a positive outcome with the development of our Retail Academy, providing structured training and development. In January 2019, our entire retail workforce came together for the first time to celebrate yearly successes, share insights and plan for the future.

The Goldies retail partnership, a joint venture bringing together the Goldies charity brand with DH retail expertise, came to an end in November 2018 but has provided useful insight and learning for both parties. Coffee House 76 remains a challenge but a new manager has been recruited and a review is underway and due by end of June 2019 regarding ongoing sustainability and future investment.

Sunday openings have increased across the estate with a total of 22 stores now open on Sundays. A number of the shops have seen refits or a refresh and contactless payment rolled out, successfully enhancing the customer experience.

Fundraising

Although down on budget, Fundraising total income (excluding Legacies) saw a 10% growth on previous FY. A Spring Appeal, developed by external fundraising consultants, was re-introduced at the end of the FY and successfully contributed £97k to fundraising efforts.

A particular area of success in FY18/19 was fundraising revenue from individual challenges at £110k, more than double compared to previous FY.

Following the previous two years of Legacies at over £3m a year, FY18/19 saw a reduced income to £1.7m for FY18/19. In FY19/20 we will continue to develop further our understanding of legacy giving, mindful of the need for a balanced fundraising income portfolio.

Trusts and Grants fundraising has also seen a more challenging year with income at 29% below target. The focus in FY19/20 will be on nurturing personal relationships with Trusts as well as providing outstanding impact reporting for the grants we do receive.

Our partnership with Local Hospice Lottery continues to deliver impressive income and engagement, with £518k generated in FY18/19. With the addition of new data importing software to help us communicate more effectively, this income will continue to grow in the future.

Although below budget for FY18/19, Corporate fundraising has seen year on year growth in past financial years. Within a very competitive landscape FY19/20 will see new data analysis taking place alongside new corporate focus to stem the decline we have seen. FY 19/20 is already looking better in regards to the number of engaged companies working with Dorothy House.

The introduction of GDPR saw a cleanse of more than half of our supporters' contact details. Despite this, events such as our Light up a Life Appeal over the festive season was extremely successful coming in at 15% ahead of last year.

It has been another tough year for our major events with average sponsorship and attendance down on previous year's numbers. This is in line with both UK wide and SW charities and we continue to benchmark well against other charities. Major events lead by DH still contributed £150K to yearly income (down 26% on previous FY) and with marketing changes, our final few events matched and increased participation by year end. FY19/20 will see an additional set of events planned alongside a revamp of look and feel for all on-going DH led events.

As we look to FY19/20, we will be considering new areas of fundraising work including a free wills service, further appeals and also the impact that the new Dorothy House brand refresh will make.

Information on Fundraising Agreements with Third Parties (As required by the Charities Act 2016)

Dorothy House continued to work with Local Hospice Lottery, a hospice lottery provider (a wholly owned subsidiary of Farleigh Hospice). Activities from both initiatives were monitored by Dorothy House through regular meetings.

Two complaints were received about Dorothy House fundraising activity through the Local Hospice Lottery for FY18/19. The Local Hospice Lottery adheres to the Institute of Fundraising guidelines for dealing with vulnerable people.

Financial Review

Overview
The financial position of the Charity is set out in the attached financial statements.

This has been a year of investment in growth and sustainability to deliver our strategic ambitions. Thanks to our free reserves, we have been able to invest in our infrastructure, growing our workforce by 9% which is 24 whole time equivalents, and investing in developing partnerships to ensure more care where it's needed most. We have also invested in growing our income streams and delivering change.

Our financial objective for the year was to reduce our reserves by £0.6m based on comparable Donations and Legacies levels of recent years. Through a sharp year on year reduction of £1.5m here, our Net Deficit for the year was £1.6m. At year end we held £4.1m of unrestricted and undesignated funds (free reserves). Given expenditure levels of £14.6m (2018: £13.2m), these free reserve levels provide appropriate resilience against short-term income fluctuations in line with our Reserves Policy and with Charity Commission guidelines.

Fixed asset additions of £1,108k (2018: £640k) have included completion of desperately needed additional parking facilities, more resilient and secure IT server, systems and infrastructure and ongoing refresh of our popular Retail shops. After fixed asset additions, the net decrease in cash and investment balances was £1,199k (2017: increase £410k). From the Statement of Financial Activities, net operational income, being Total Income minus Total Expenditure, of -£2,059k (2018: £213k).

There was a net gain on the realised and unrealised movements in investments of £427k (2018: net loss £196k), which led to the overall decrease in funds for the year of £1,633k (2018: £17k increase).

Income decreased by £914k (2018: £492k increase) during the year, with a decrease in Donations and Legacies of £1,483k (2018: £165k increase) and increased retail sales of £313k (2018:£60k increase) and NHS England contracts and grants of £24k (2018: £48k increase).

Expenditure on charitable activities increased by £944k (2018: £530k) and expenditure on raising funds increased by £386k (2018: £5k decrease).

Principal Funding Sources
The Charity is funded from five principal sources:

1. Clinical Commissioning Groups £2,547k (2018: £2,523K, 1% increase)
2. Voluntary Donations, Events and Legacies £3,968k (2018: £5,476K, 28% decrease)
3. Lottery income £534k (2018: £298k, 79% increase)
4. Contribution from 27 shops £1,057k (2018: £849K, 24% increase)
5. Net Investment Income £591k (2018: £21K)

Investment Policy
The Charity has the power to make any investments which the Trustees see fit. In applying this, the Trustees have formulated and approved an Investment Policy. Day-to-day management of the investments is delegated to an external advisor, who invests a proportion of the Charity's funds in equity, fixed interest and other funds within guidelines set by the Trustees. The external advisors are prohibited from investing funds directly in tobacco companies, are guided on the amounts that can be invested in one institution and in the proportion of cash that can be held in relation to other investments.

Rathbones continues to deliver growth on our investments in the long-term and exceeds benchmark expectations. We have recently seen greater short-term volatility in returns, most notably in quarter three starting September through to end December 2018. Subsequent recovery in quarter four supports their belief that the global economic environment is still positive.

Key Risks and Uncertainties
Following best practice guidelines, including those of the Charity Commission, DH constantly reviews all risks through its Assessment and Risk Management Register (ARMR) database. It is key that risk is owned and understood at all levels within the Charity.

Key risks identified within FY18/19 were as follows:

Income: This includes fluctuations in fundraising (including legacy) and retail income. It also includes the risks we face from a changing commissioning landscape through a move from Clinical Commissioning Group (CCG) to Sustainability Transformation Partnerships (STP) seems likely. Whilst challenging, this situation presents us with an opportunity to lead the development of palliative and end of life care.

Investment Returns: Every year, the returns from investments are a large contributor to the Charity's overall performance and as such are always a significant risk factor. Investment performance is regularly reviewed and an active relationship maintained with the external advisors to mitigate investment risk.

Corporate Governance, Information Governance and Cyber Security: Review and improvement in these areas have been a key objective this year and our progress is detailed in that section of the report. This has refreshed our focus on ensuring outstanding governance for Dorothy House.

Reserves Policy
Reserves are the Charity's funds. They are categorised as "restricted", "unrestricted" and "designated". Restricted funds are those funds for which a clear instruction has been received around their use. Unrestricted funds are charitable funds which the Charity, subject to its Articles of Association, is free to invest in order to further the Charity's activities. Designated funds are those funds earmarked within the "unrestricted" portfolio, that will be released to deliver a specific task or purpose, and that can no longer be considered as part of the "unrestricted reserve". The cumulative total of £14,222,495 is made up from:

1. Restricted Funds: £3,444,559. This value represents the investment and funding of the Winsley site, assets purchased from subsequent capital grants and net new building appeal funds. Additional new funds derived from many sources with a range of aims including piloting telehealth with care homes and providing care in the Chippenham community.

2. Designated Funds: £6,631,000. These funds, whilst given without any restriction, have been formally designated by the Board of Trustees to enhance and develop the Winsley site since 2006 (Space to Care Appeal). The designated funds also include funds for service development (Hospice at Home and outreach Services). In line with the new Strategic Plan (2018-2025) £2,207,000 has been designated to fund future service development and capability which will be required in order to meet the demographic demand and advances in palliative and end of life care.
3. Unrestricted Funds: £4,146,936. Deemed by the Board of Trustees as a prudent level of reserves to offset the ongoing volatility of health and cocial care funding, protection against cash flow volatility and changes in income stream outside the Charity's direct control, i.e. legacies, interest payments. This level of reserves is regularly reviewed by the Board of Trustees in line with policy in accordance with guidance from the Charity Commission and the political and economic environment in which we operate.
4. The Reserves Policy of DH directs the Board of Trustees to hold reserves adequate to protect against risks identified in its Risk Register (see above), contingencies and adequate working capital cover. Reserve levels are monitored throughout the year to ensure ongoing appropriateness.

Plans for the Future

Linked to our strategic goals and following on from last year's aims, our organisational objectives for FY19/20 are as follows:

1. Death is a part of life: Deliver year two of the 2018-25 Strategic Plan through proactive engagement across the community that influences the NHS Long Term Plan with the effect of coherent end of life coordination across the strategic landscape (SW Region, STPs and emerging bodies).
2. Living well: Lead a charity that is CQC "outstanding" across all five key requirements and to operate effectively, delivering a minimum of 3% savings by Q4 on track by Q2.
3. Peaceful death: Influence and shape the community across our 700sq miles, creating an environment through a partnership landscape, where "Preferred Place of Death" is a credible choice, delivered through a sustainable community programme.
4. Supported bereavement: Develop education support, DH centres and communication tools, which inform in an equitable manner on issues, capability, entitlement and access pre- and post death for all patients, families and carers.
5. Increase in income: Deliver an effective 2019/20 financial plan that is sustainable and builds on 18/19.

Structure, Governance and Management

Governing Documents and Structure
The Charity was created in 1976 by a Trust Deed and incorporated in 1978 as a company limited by guarantee, not having share capital. At this point, the Memorandum of Association established the objectives and powers of the company, and the Articles of Association set out its operations. The Charity's main objective is "to promote the relief of sickness by such charitable means as the Association shall from time to time think fit".

In the event of the company being wound up, each member is required to contribute a maximum of £1. In order to sell bought in goods as part of the retail operations or other profit making ventures, the Charity has a wholly owned trading subsidiary, Dorothy House Trading Ltd (Reg. Company no: 2259911). The Charity's Trustees appoint the Directors of the subsidiary company and all of its profits are remitted to its parent.

A schedule of delegated powers allows the Trustees to devolve certain activities and decisions to the specialist committees on which they sit, the Chief Executive and the Executive Team.

Whilst main board and most committees meet quarterly, the Executive Team meets monthly.

Public Benefit
The Charities Act 2011 explicitly includes public benefit in the definition of a charitable purpose, which every charity must have. The Act sets out 13 different charitable purposes, of which DH meets 3:

1. The advancement of health
2. The relief of those in need by ill health or disability; and
3. The advancement of education

In reviewing our aims and objectives, we have referred to the Charity Commission Guidance on Public Benefit. In particular, all of the services provided to patients and their families are free of charge and education programmes are provided for health and social care professionals in order to promote excellence in end of life care.

Trustees: Recruitment and Appointment

The members of the Charity are automatically members of the Board and Trustees, and there must be at least 5 and not more than 13 Trustees at any time. The term of office is three years, and a member can serve up to three consecutive terms. The names of the Trustees in this year are set out on page 28.

The Trustees recruit new members by open advertisement and interview. The Chair and Vice Chair undertake Trustee annual evaluations including a skills matrix. Each vacancy is reviewed to ensure the Board has a wide representation of skills and experience reflecting the needs of the organisation.

Trustees: Induction and Training

There is a core induction programme for new Trustees, accompanied by a handbook which incorporates statutory, regulatory, financial and specialist sector information and clearly sets out the Trustee's responsibilities.

Senior Management Team Remuneration Policy

The Trustees consider that the Executive Team are the key management personnel of the Charity in charge of directing and controlling, running and operating the Charity on a day-to-day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note six to the accounts.

Staff pay is reviewed annually and normally increased in accordance with the NHS's Agenda for Change, in line with the rest of the organisation. Any reviews of Executive Team pay have to be discussed and approved by the Remuneration Committee.

Trustees' Responsibilities for the Financial Statements

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the charity's financial activities during the year and of its financial position at the year end. In preparing these financial statements the Trustees should follow best practice and:

a. select suitable accounting policies and then apply them consistently;
b. make judgements and estimates that are reasonable and prudent;
c. state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements;
d. prepare the financial statements on the going concern basis unless it is inappropriate to assume that the Charity will continue in operation.

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the Charity and ensuring that the financial statements comply with applicable laws. They are also responsible for safeguarding the assets of the Charity and 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 Foundation's auditors are unaware and the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

This report, incorporating the Strategic Report, was approved by the Trustees, in their capacity as company directors and signed on their behalf by:

Kate Tompkins
Chair of Trustees
Date 16 July 2019

Reference and administrative details

Registered Name: Dorothy House
Working name: Dorothy House Hospice Care ("DH")
Registered Company Number: 1360961
Registered Charity Number: 275745
Registered and Principal Address:
Winsley, Bradford on Avon, BA15 2LE, UK

Trustees in the period

B, D, E (Chair), F (Chair)	Kate Tompkins	Chair
A (Chair), C, G	Christine Davis	
B (Chair), D, E, F	Diane Hall	
B, E, F, G	Ian Lafferty	Vice Chair of Trustees
	John Waldron	Retired 01/11/18
B, D	Brian Mansfield	
	Tim Stacey	Retired 09/10/18
A, C	Simon Burrell	
D (Chair), E	Warren Reid	
C, F	David Cavaliero	
B	Charlotte Parkin	
A, B	Mark Hunt	
A	Francesca Thompson	
D, F	Josette Crane	
A, C (Chair)	James Gare	Appointed 03/07/18

Commitees

A	Member of Patient and Family Services Committee
B	Member of Finance and Performance Committee
C	Member of Audit Committee
D	Member of People and Development Committee
E	Member of Remuneration Committee
F	Member of Governance Committee
G	Director of Dorothy House Trading Ltd

Executive Team as at 31st March 2019

John Davies	Chief Executive
Dr Patricia Needham	Medical Director
Ruth Gretton	Director of Nursing
Wayne de Leeuw	Director Patient Family Services & Deputy CEO
Tony De Jaeger	Director of Finance, New Business Development and Information Management

Principal Bankers	NatWest plc, Bath
Auditor	Bishop Fleming LLP, Bristol
Investment Advisers	Rathbones, London
Solicitors	Thrings, Swindon Bath Royds Withy King, Bath Stone King, Bath
Adviser to Finance & Performance Committee	Simon Coombe
Director of Dorothy House Trading Ltd	Tony De Jaeger Catherine Chambers Retired 01/10/18

Independent auditor's report to the members

Opinion
We have audited the financial statements of Dorothy House (the 'parent charity') and its subsidiaries (the 'group') for the year ended 31 March 2019 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheet, the Consolidated Cash Flow Statement and the related notes, 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 2019 and of the group's incoming 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; and
— have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Annual report, other than the financial statements and our Auditors' 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.

Opinion 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) for which the financial statements are prepared is consistent with the financial statements.
— the Strategic Report and the Trustees' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and the Trustees' Report.

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

- the parent charitable company has not kept adequate accounting records, 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' remunerations specified by law 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 Trustees' responsibilities statement, the Trustees (who are also the directors of the 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.

Auditors' responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies act 2006 and report in accordance with this Act.

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 Auditors' 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. This description forms part of our Auditors' report.

Use of our report

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

Bishop Fleming LLP

Joseph Scaife FCA DCHA (Senior statutory auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
16 Queen Square
Bristol
BS1 4NT

1/8/19

Date:

Financial Statements

Consolidated Statement of Financial Activities including Income & Expenditure Account For the Year Ended 31 March 2019

	Note	Unrestricted Funds Unassigned £	Unrestricted Funds Designated £	Restricted Funds £	Group 2019 £	Group 2018 £
Income and endowments from:						
Donations and Legacies	1/10	3,064,403	-	228,773	**3,293,176**	4,776,751
Charitable activities	3/12	2,786,716	-	-	**2,786,716**	2,729,375
Other trading activities	3A	6,254,218	-	-	**6,254,218**	5,729,687
Investments		203,953	-	-	**203,953**	216,312
Total income and endowments		**12,309,290**	**-**	**228,773**	**12,538,063**	**13,452,125**
Expenditure on:						
Raising funds	4	(5,425,999)	-	-	**(5,425,999)**	(5,035,647)
Charitable activities	4/12	(8,958,459)	-	(212,984)	**(9,171,443)**	(8,203,877)
Total expenditure		**(14,384,458)**	**-**	**(212,984)**	**(14,597,442)**	**(13,239,524)**
Net gains/(losses) on investments	9	426,732	-	-	**426,732**	(195,647)
Net income/(expenditure)	**4**	**(1,648,436)**	**-**	**15,789**	**(1,632,647)**	**16,954**
Transfers between funds		**57,715**	**(57,715)**	**-**	**-**	**-**
Other recognised gains/ (losses)		**-**	**-**	**-**	**-**	**-**
Net movement in funds		**(1,590,721)**	**(57,715)**	**15,789**	**(1,632,647)**	**16,954**
Reconciliation of funds:						
Total funds brought forward		5,737,659	6,688,715	3,428,770	15,855,143	15,838,189
Total funds carried forward		**4,146,938**	**6,631,000**	**3,444,558**	**14,222,496**	**15,855,143**

The above results relate wholly to continuing activities; there were no other recognised gains or losses in the year.
The accompanying accounting policies and notes form an integral part of these financial statements.

Consolidated and Charity Balance Sheet at 31 March 2019

	Note	At 31 March 2019 Group £	At 31 March 2019 Charity £	At 31 March 2018 Group £	At 31 March 2018 Charity £
Fixed assets					
Tangible fixed assets	8	**7,853,770**	**7,831,969**	7,201,697	7,201,697
Investments - subsidiary	2	**-**	**2**	-	2
Investments - portfolio	9	**5,819,108**	**5,819,108**	7,230,197	7,230,197
		13,672,878	**13,651,079**	14,431,894	14,431,896
Current assets					
Stock	2	**32,431**	**-**	8,173	-
Debtors	10	**1,391,061**	**1,402,769**	1,984,832	1,989,594
Cash at bank and in hand		**681,546**	**668,259**	469,086	454,318
		2,105,038	**2,071,028**	2,462,090	2,443,912
Liabilities					
Creditors: falling due within one year	11	**(1,513,012)**	**(1,471,992)**	(1,038,840)	(1,035,453)
Net current assets		**592,026**	**599,036**	1,423,250	1,408,459
Total assets less current liabilities		**14,264,904**	**14,250,115**	15,855,143	15,840,354
Creditors: due in more than one year	11	**(42,410)**	**(42,410)**	-	-
Net assets		**14,222,494**	**14,207,705**	15,855,143	15,840,354
Income funds					
Restricted	12	**3,444,559**	**3,444,559**	3,428,770	3,428,770
Unrestricted:					
Designated - funding fixed assets	13,14	**4,409,211**	**4,409,211**	3,772,926	3,772,926
Designated - Service Develop't	13,14	**2,207,000**	**2,207,000**	2,901,000	2,901,000
Charitable funds	13,14	**4,146,935**	**4,146,935**	5,737,659	5,737,659
Designated - trading funds	2	**14,789**	**-**	14,789	-
Total unrestricted funds		**10,777,935**	**10,763,146**	12,426,373	12,411,584
Total funds		**14,222,494**	**14,207,705**	15,855,143	15,840,354

The financial statements were approved and authorised for issue by the Trustees and are signed on their behalf by

Kate Tompkins
Chairman

Date: 16 July 2019

Diane Hall
Treasurer

Date: 16 July 2019

The accompanying accounting policies and notes form an integral part of these financial statements

Consolidated Cash Flow Statement for the Year Ended 31 March 2019

	Note	2019	2018
		£	£
Cash flows from operating activities			
Net cash used in operating activities	Note A	**(722,151)**	1,029,663
Cash flows from investing activities			
Dividends, interest and rents from investments	9	**203,962**	216,312
Purchase of property, plant and equipment	8	**(1,107,170)**	(640,025)
Proceeds from the disposal of fixed assets	8	**-**	-
Cash from/(to) investment portfolio	9	**2,000,000**	(500,000)
Net additions to the investment portfolio		**(162,179)**	(160,829)
Net cash provided by investing activities		**934,613**	(1,084,542)
Change in cash in the reporting period		**212,462**	(54,879)
Cash at the beginning of the reporting period		**469,086**	523,965
Cash at the end of the reporting period	Note B	**681,548**	469,086

Note A) Reconciliation of cash flows from operating activities

Net income/(expenditure) for the reporting period (as per the statement of financial activities)	**(1,632,647)**	16,954
Adjustments for:		
Net losses/(gains) on investments	**(426,732)**	195,647
Depreciation charges	**455,097**	473,285
Dividends, interest and rents from investments	**(203,962)**	(216,312)
(Profit)/loss on the sale of fixed assets	**-**	-
(Increase)/decrease in stocks	**(24,258)**	12,256
(Increase)/decrease in debtors	**593,771**	1,254,556
Increase/(decrease) in creditors	**516,581**	(706,724)
Net cash inflow/(outflow) from operating activities	**(722,151)**	1,029,663

Note B) Analysis of net cash resources

	At 31 March 2018	Net cash inflow	At 31 March 2019
	£	£	£
Bank and petty cash balances	469,086	212,462	**681,548**

Notes to the Financial Statements For the Year Ended 31 March 2019

Dorothy House is a company limited by guarantee and a charity registered at the Charity Commission in England and Wales. The Principal address is Winsley, Bradford on Avon, BA12 2LE.

1. Accounting Policies

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

Basis of Preparation – The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), and the Companies Act 2006. The charity constitutes a public benefit entity as defined by FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The charity's functional and presentational currency is the pound sterling.

Basis of consolidation – The group financial statements consolidate the results of the charity and its wholly-owned subsidiary Dorothy House Trading Ltd. on a line by line basis. A separate Statement of Financial Activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

Incoming resources

* All monetary donations and gifts are included in full in the Statement of Financial Activities when receivable;
* Contract and grant income is included when receivable, provided conditions for receipt have been complied with, unless they relate to a specific future period in which case they are deferred;
* Legacies are included when the charity is advised that payment will be made or property transferred, and the amount involved can be quantified;
* When donors specify that donations and grants, including grants for the purchase of fixed assets, are for particular restricted purposes, the income is included in incoming resources of restricted funds when receivable;
* Intangible income, which comprises donations in kind, are included at the Trustees' valuation when known;
* No amounts are included in the financial statements for services donated by volunteers.
* Charity shop sales include donations arising from the charity's Gift Aid scheme for donated goods.

Judgements in applying accounting policies and key sources of estimation uncertainty
The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for income and expenditure during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.Apart from those judgments involving significant estimates as detailed in the accounting policies, there are no judgments to note that have had a significant effect on amounts recognised in the financial statements

Resources expended – Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT which cannot be recovered. Expenditure which can be directly attributed to specific activities has been included in appropriate cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion attributable to each activity.

Operating leases – Rentals in respect of assets held under operating leases are charged against revenue on a straight line basis over the term of the lease. Financial commitments arising from such leases are disclosed in note 15.

Pensions – The charity operates a contributory group personal pension scheme for the benefit of the staff. The scheme's funds are administered by independent Trustees and are independent of the charity's finances. Benefits under the scheme are dependent on contributions paid and the charity is not committed to the provision of a pension related to final salary. The charity also makes contributions for eligible employees to the National Health Service Pension Scheme which is a multi-employer defined benefit pension scheme where pensions payable are based on final pensionable salary. As the charity is unable to identify its share of the assets and liabilities of the scheme on a consistent and reasonable basis, the scheme is treated by the charity as if it were a defined contribution scheme, as permitted by FRS 102. For all active schemes, the charity's contributions are charged against income in the year in which they are made.

Financial instruments – Financial instruments are recognised in the Charity's balance sheet when it becomes a party to the contractual provisions of the financial instrument.

Trade debtors – Trade debtors are non interest bearing and are stated at original invoiced amount less an appropriate allowance for irrecoverable amounts. Such allowances are based on known customer exposures.

Cash – Cash comprises cash at bank and in hand.

Trade creditors – Trade creditors are non interest bearing and are stated at the original invoiced amount.

Income from financial instruments – Interest is accrued and credited to the profit and loss account in the period to which it relates.

Dividend income from investments – Dividend Income is recognised when the shareholders' rights to receive payment have been established.

Tangible Fixed Assets – Freehold properties
Freehold property is included at original cost plus subsequent costs of additions.

No depreciation is provided on freehold properties. It is the charity's practice to maintain these assets in a continual state of sound repair and accordingly the Trustees consider that the lives of these assets are so long and residual values so high, based on prices prevailing at the time of acquisition, that any charge for depreciation is immaterial. In the absence of any depreciation charge an annual impairment review is undertaken and any permanent diminution in the value of such properties is charged to the Statement of Financial Activities as appropriate.

Tangible Fixed Assets – other assets
Tangible fixed assets costing more than £1,000 are capitalised and included at cost.

Depreciation is calculated to write off the cost, less estimated residual values, of tangible fixed assets over their estimated useful lives to the charity. The annual depreciation rates and methods are as follows:

Leasehold properties	Evenly over the term of the lease
Fixtures, equipment and ICT	10 - 33 1/3% straight line, as appropriate
Motor vehicles	25% straight line

Investments – The investments held by the charity are stated at their open market value at the Balance Sheet date. Gains and losses on disposal and revaluation of investments are credited or charged to the Statement of Financial Activities. Deposit accounts previously accounted for as Fixed Asset Investments are now shown with Cash, as they are not used for investment purposes.

Stock – Stock is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. FRS 102 recommends that goods donated for resale are valued. However, estimating the fair value of donated goods for resale is impractical for the charity because of the high volume of low value items received and the absence of a detailed stock control system. The trustees have therefore determind that no meaningful valuation can practicably take place.

Fund Accounting
Funds held by the charity are either:

- Restricted funds – these can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by donors or by the purpose of the appeal.
- Unrestricted general funds – these can be used in accordance with the charitable objects at the discretion of the Trustees.
- Designated funds are unrestricted funds which have been Designated for specific purposes by the Trustees.

2. Commercial Trading Activities and Investment In Trading Subsidary

The charity has a wholly-owned subsidiary, Dorothy House Trading Limited incorporated in England and Wales, which sells mainly food and beverages through its coffee shop outlet and calendars and greetings cards. The company covenants its profit to the charity. A summary of the trading results and details of its assets and liabilities is shown below:

Summary Profit and Loss Account	Note	2019 **£**	2018 £
Turnover		229,721	200,926
Cost of sales and administrative costs	4	(106,636)	(62,291)
Management charge from Dorothy House Foundation	4	(63,456)	(23,405)
Net income		59,629	115,230
Amount gifted to the charity under deed of covenant		(59,629)	(115,230)
Profit retained in the subsidiary		-	-

Summary Balance sheet	Note	2019 **£**	2018 £
Fixed Assets		21,801	-
Stock		32,431	8,173
Other debtors		13,128	-
Bank balances		13,287	14,767
Creditors-due to Dorothy House	10	(24,837)	(4,762)
Other creditors		(41,019)	(3,387)
Total net assets		**14,791**	14,791
Share Capital		2	2
Profit and Loss Account		14,789	14,789
		14,791	14,791

3. Analysis of Income from Charitable Activities

	Unrestricted Funds	Restricted Funds	**Group 2019**	Group 2018
Contracts and operating income:	£	£	**£**	£
NHS contracts and grants	2,547,136	-	**2,547,136**	2,523,058
Catering and other similar income	87,699	-	**87,699**	70,059
Education and training income	151,881	-	**151,881**	136,258
	2,786,716	-	**2,786,716**	2,729,375

3A. Other Trading Activities

	Group 2019	Group 2018
Shops' Income	**5,044,848**	4,732,790
Fundraising events	**674,888**	699,228
Lottery	**534,482**	297,668
	6,254,218	5,729,687

4. Analysis of Resources Expended

	Staff costs	Other costs (including depreciation)	Support costs	**Total 2019**	Total 2018
Cost of raising funds	£	£	£	**£**	£
Charity shop costs	2,048,787	1,464,566	474,585	**3,987,938**	3,883,520
Fundraising and publicity	665,526	369,093	184,990	**1,219,609**	1,013,824
Expenses of subsidiary - Note 2	-	170,092	-	**170,092**	85,696
Lottery costs	-	8,620	-	**8,620**	8,750
Investment Management Costs	-	39,740	-	**39,740**	43,856
	2,714,313	2,052,111	659,575	**5,425,999**	5,035,647
Direct charitable activities					
Patient Services costs	6,166,669	1,271,900	1,162,281	**8,600,849**	7,685,438
Education services	248,564	181,576	75,879	**506,020**	477,044
	6,415,233	1,453,476	1,238,160	**9,106,869**	8,162,482
Governance Costs	27,560	37,013	-	**64,574**	41,395
	6,442,793	1,490,490	1,238,160	**9,171,443**	8,203,877
Total resources expended: 2019	**9,157,106**	**3,542,600**	**1,897,736**	**14,597,442**	13,239,524
Total resources expended: 2018	8,296,315	3,188,171	1,755,037	13,239,524	

Included in the Governance Costs above are the following costs:

		2019	2018
		£	£
Auditor's remuneration	External audit	**10,625**	10,425
(inc. applicable VAT) :	Non-audit services	**-**	10,730
Internal Auditor (inc. applicable VAT):		**7,787**	9,587

Governance Costs also include an apportionment of Senior Management costs.

4. Analysis of Resources Expended

Charitable Activities	Staff Costs	Other Direct Costs	Support Costs	**Total 2019**	Total 2018
	£	£	£	**£**	£
In Patient Unit	1,427,174	425,036	247,320	**2,099,531**	1,866,748
Day Patient Unit/Comp Therapy	417,851	204,798	167,417	**790,067**	619,432
Lodges	16,714	33,012	-	**49,725**	64,652
Nurse Specialists	1,103,761	152,740	192,696	**1,449,197**	1,367,082
Hospice at Home	1,191,151	130,755	255,108	**1,577,014**	1,424,837
Lymphoedema & Physiotherapy	654,980	135,839	130,380	**921,198**	940,846
Medical Services	717,480	51,326	70,090	**838,896**	778,382
Family Support	637,558	138,393	99,270	**875,221**	623,458
Education	248,564	181,576	75,879	**506,020**	477,044
TOTAL	6,415,233	1,453,475	1,238,160	**9,106,868**	8,162,482

Support Costs Breakdown	**Administration & Telecoms**	**IM**	**Finance & Personnel**	**Provisions/Non recurring costs**	**Total 2019**	2018
Basis of Allocation:	Staff Numbers (excl. shops)	Number of PCs	Staff Numbers	Staff Numbers		
	£	£	£	£	**£**	£
In Patient Unit	73,935	36,927	109,495	26,963	**247,320**	227,890
Day Patient Unit/Comp Therapy	41,075	50,532	60,831	14,979	**167,417**	102,193
Lodges	-	-	-	-	**-**	-
Nurse Specialists	43,129	69,967	63,872	15,728	**192,696**	182,513
Hospice at Home	75,989	38,870	112,537	27,712	**255,108**	234,204
Lymphoedema & Physiotherapy	24,645	60,249	36,498	8,988	**130,380**	138,728
Medical Services	18,484	17,492	27,374	6,741	**70,090**	79,119
Family Support	22,591	34,983	33,457	8,239	**99,270**	106,542
Education	12,323	40,814	18,249	4,494	**75,879**	70,050
Charitable Activities	**312,171**	**349,834**	**462,312**	**113,843**	**1,238,160**	1,141,239
Retail	18,484	126,329	264,613	65,160	**474,585**	466,053
Fundraising	53,398	33,040	79,080	19,473	**184,990**	147,744
Total	**384,053**	**509,203**	**806,006**	**198,477**	**1,897,736**	**1,755,037**

5. Employee Information

	2019	2018
	£	£
Wages and salaries	9,111,322	8,195,671
Social security costs	773,321	697,046
Pension costs	666,449	620,933
	10,551,092	9,513,650

£1,393,986 of the above are included in Support and Other Costs shown in Note 4.

The average number of permanent employees (whole-time equivalent) during the year was as follows:

Patient service	Nursing staff	**103**	97
	Medical	**9**	7
	Chaplain	**2**	2
	Social worker	**9**	8
	Support staff	**23**	18
		146	131
Education		**6**	5
Fundraising		**24**	19
Management and administration		**39**	34
Dorothy House shops		**84**	84
		299	272

The numbers of employees who earned more than £60,000 per annum was:	2019	2018
£60,000 - £70,000	**0**	2
£70,000 - £80,000	**5**	3
£80,000 - £90,000	**1**	2
£90,000 - £100,000	**1**	1
£100,000 - £110,000	**1**	1

Of these, 4 (2018 5) are Clinical staff. Pension contributions for all 7 employees amounted to £65,305 (2018: 9 employees, £73,863). No pension contributions (2018 £314) were paid on behalf of key management staff not included in the bandings above. Senior Management pay is regulated by the Pay and Remuneration Committee.

The charity considers that the key management personnel comprise the Trustees and the Executive team – who are the Chief Executive and 6 other Heads of Department.

The total salaries and employer pension contributions of the key management personnel of the charity were £652,233 (2018 £614,514).

6. Trustees' Remuneration and Expenses

The Trustees of the charity received no remuneration but travel expenses totalling £890 (2018: £1,195) were reimbursed to 2 (2018: 3) Trustees.

In addition to their time, the trustees often provide support to the charity in the form of monetary donations and the donation of goods for sale in the charity's shops. The value of such donations was less than £500 per trustee (2018: all donations less than £500 per Trustee).

The charity has insurance costing £382 (2018: £317 Trustees only) to indemnify the Trustees from any loss arising from their neglect or default.

7. Pension Costs

The charity makes contributions for eligible employees to the National Health Service Pension Scheme which is a multi-employer defined benefit pension scheme where pensions payable are based on final pensionable salary. As the charity is unable to identify its share of the assets and liabilities of the scheme on a consistent and reasonable basis, the scheme is treated by the charity as if it were a defined contribution scheme, as permitted by FRS 102 section 28 "Employee Benefits". Contributions are charged to the Statement of Financial Activities in the year in which they are made.

For employees who are ineligible to join the NHS scheme, the charity also operates two defined contribution pension schemes - a "Group Personal Pension" scheme and an "Auto Enrolment" scheme both through Aviva. The schemes' funds are administered by independent trustees and are independent of the charity's finances. Benefits under the scheme are dependent on contributions paid and the charity is not committed to the provision of a pension related to final salary.

The charity's frozen Flexiplan pension scheme (FPS) was bought-out in 2017 by Aviva. All employer liabilities are now fully discharged to the effect of no futher contributions being due.

The charity's contributions to pension schemes in the year amounted to £666,449 (2018: £620,934); the amount of contributions due by the charity to the schemes at the year end was £205,385 (2018: £80,206).

8. Fixed Assets

CHARITY:	Land and Buildings: Freehold	Land and Buildings: Leasehold	Fixtures and Equipment	Motor Vehicles	Charity Total
Cost	£	£	£	£	£
At start of year	5,779,380	570,063	4,310,536	120,042	**10,780,020**
Additions	553,261	-	530,825	-	**1,084,086**
Disposals	-	-	(48,235)	-	**(48,235)**
At end of year	6,332,641	570,062	4,793,127	120,042	**11,815,872**
Depreciation					
At start of year	-	236,872	3,238,188	103,264	**3,578,324**
Charge for the year	-	38,781	385,040	7,838	**431,659**
Depreciation on Disposals	-	-	(26,080)	-	**(26,080)**
At end of year	-	275,653	3,597,148	111,102	**3,983,903**
Net Book Value					
At end of year	**6,332,641**	**294,409**	**1,195,979**	**8,940**	**7,831,969**
At start of year	5,779,380	333,191	1,072,348	16,778	7,201,697

8. Fixed Assets (continued)

GROUP:	Land and Buildings: Freehold	Land and Buildings: Leasehold	Fixtures and Equipment	Motor Vehicles	Group Total
Cost	£	£	£	£	£
At start of year	5,779,380	570,063	4,310,536	120,042	**10,780,020**
Additions	553,261	-	553,909	-	**1,107,170**
Disposals	-	-	(48,235)	-	**(48,235)**
At end of year	6,332,641	570,062	4,816,210	120,042	**11,838,956**
Depreciation					
At start of year	-	236,872	3,238,188	103,264	**3,578,324**
Charge for the year	-	38,781	386,322	7,838	**432,941**
Depreciation on Disposals	-	-	(26,080)	-	**(26,080)**
At end of year	-	275,653	3,598,430	111,102	**3,985,185**
Net Book Value					
At end of year	**6,332,641**	**294,409**	**1,217,780**	**8,940**	**7,853,770**
At start of year	5,779,380	333,191	1,072,348	16,778	7,201,697

The net book value at the end of the year represents assets used for the following purposes:

		Land and Buildings: Freehold	Land and Buildings: Leasehold	Fixtures and Equipment	Motor Vehicles	Total
		£	£	£	£	£
Patient services		6,019,637	136,139	530,698	-	**6,686,473**
Other purposes:	Management	-	-	464,376	-	**464,376**
	Charity shops	313,004	158,270	222,707	8,940	**702,921**
		6,332,641	294,409	1,217,780	8,940	**7,853,770**

The freehold property shown under patient services is the charity's property at Winsley. Parts of this property are used for management, administration and educational purposes, and part is let; the Trustees do not believe it is practical to try and apportion the net book value between these various uses.

9. Investments

	2019 Group £	2019 Charity £	2018 Group £	2018 Charity £
Market value at the start of the year		**7,230,197**		6,765,015
Net additions to the investment portfolio:				
Movement in cash balances invested: (reduction)/increase		**(2,000,000)**		500,000
Portfolio investment income held by brokers		**203,123**		202,817
Management fees charged		**(40,944)**		(41,987)
Gains or (losses) in the year:				
Realised - on sale of investments	**373,767**		73,488	
Unrealised - change in value of portfolio in the year	**52,965**		(269,135)	
		426,732		(195,647)
Market value at the end of the year		**5,819,108**		7,230,197

The investments are held as follows:

		£	£
Managed by brokers:	Fixed interest stocks	**895,091**	1,172,025
	Equities - UK	**2,163,653**	2,626,505
	Equities - non-UK	**1,844,660**	2,179,277
	Other Investments	**763,021**	931,523
	Uninvested cash balances	**152,684**	320,867
		5,819,109	7,230,197
Investment in subsidiary		**2**	2

One investment, SPDR Series Trust (S&P 500) ETF accounted for 8.58% (2018: 8.97%) of the portfolio managed by the investment advisers at 31 March 2019.
There were no other investments accounting for more than 5% of the value of the portfolio.

10. Debtors

	Note	At 31 March 2019 Group £	At 31 March 2019 Charity £	At 31 March 2018 Group £	At 31 March 2018 Charity £
Trade debtors		**239,878**	**232,223**	327,140	327,140
Legacies		**301,770**	**301,770**	956,950	956,950
Other accrued income		**15,079**	**15,079**	15,079	15,079
Other debtors		**464,995**	**463,399**	489,226	489,226
Amount owed from subsidiary	2	**-**	**24,837**	-	4,762
Prepayments		**369,339**	**365,461**	196,437	196,437
		1,391,061	**1,402,769**	1,984,832	1,989,594

11. Liabilities

	At 31 March 2019 Group £	At 31 March 2019 Charity £	At 31 March 2018 Group £	At 31 March 2018 Charity £
AMOUNTS DUE IN LESS THAN ONE YEAR				
Trade creditors	**251,036**	**231,545**	28,458	28,458
Taxes and social security	**257,519**	**257,519**	236,069	236,069
Other creditors	**775,234**	**765,606**	604,035	600,648
Accruals and deferred income	**229,223**	**217,322**	170,278	170,278
	1,513,012	**1,471,992**	1,038,840	1,035,453
AMOUNTS DUE IN MORE THAN ONE YEAR				
Other creditors	**42,410**	**42,410**	-	-

	Group 2019 £	Group 2018 £
DEFERRED INCOME		
Deferred income at 1 April	**803**	566,575
Resources deferred during the year	**54,211**	803
Amounts released from previous years	**(803)**	(566,575)
Deferred income at 31 March	**54,211**	803

Deferred income represents amounts paid in advance for clinical services.

12. Restricted Funds

The funds of the charity include restricted funds comprising the following donations and grants held on trust to be applied for specific purposes:

	Historic	At 31 March '18	Incoming	Expense	**At 31 March'19**
		£	£	£	**£**
Winsley Hospice Appeal	1,389,449	1,389,449	-	-	1,389,449
Space to Care Appeal	1,311,459	1,311,459	-	-	1,311,459
Regional Commisioner Grants	248,755	128,328	-	(49,751)	78,577
Department of Health Capital Grants	1,082,431	499,535	-	(24,816)	474,719
Private Capital Grants, Trusts & Legacies	230,680	100,000	-	(6,667)	93,333
IPU Appeal	-	-	97,022	-	97,022
Restricted Income in year	-	-	131,750	(131,750)	-
	4,262,774	3,428,771	228,772	(212,984)	**3,444,559**

The Winsley Appeal was established in 1994 to provide for the purchase and refurbishment of the charity's hospice at Winsley – the Appeal was formally closed in 1996.

The Space to Care Appeal was commenced in 2004, and was for the building of two extensions to the Winsley building, to expand Day Care and In-patient facilities and improve Education facilities – the Appeal was formally closed on 31st March 2007.

The Department of Health Capital Grants were given in 2007/8, 2010/11 and 2013/14 for capital projects designed to improve the quality of services.

Regional and Private Capital Grants were provided to develop community services and education within North Somerset, Wiltshire & B&NES

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13. Designated funds

The bulk of the charity's fixed assets have been funded from unrestricted income, mainly donations and legacies; at 31 March 2019 this funding amounted to £4,409,211. As these funds are not available for expenditure on future charitable objects the Trustees believe it appropriate to show these amounts as designated reserves, separate to the main charitable funds of the charity.

As a result of legacies and the level of Reserves in previous years, in 2014-15 the Trustees decided to increase and develop services in order to utilise some of these reserves. Over the next three financial years, this is forecast to result in a deficit of £2,207,000 and this amount has therefore been shown as a designated reserve.

14. Analysis of Group Net Assets between Funds

Fund balances at 31 March 2019 are held as follows:

	Restricted Funds	Designated - fixed assets	Designated - DHTrading Ltd	Designated - Service Devel't	Unrestricted & Unassigned	**Total 2018**
	£	£	£	£	£	**£**
Tangible fixed assets	3,444,559	4,409,211	-	-	-	**7,853,770**
Investment portfolio	-	-	-	2,207,000	3,612,108	**5,819,108**
Current assets	-	-	14,789	-	2,090,249	**2,105,038**
Liabilities	-	-	-	-	(1,555,422)	**(1,555,422)**
	3,444,559	**4,409,211**	**14,789**	**2,207,000**	**4,146,935**	**14,222,494**

15. Commitments Under Operating Leases

The total commitments under operating leases were:	**Shop leases**	**Outreach Centres**	**Other Leases**
Payments falling due:	**£**	**£**	**£**
Less than one year	**679,225**	**87,254**	**12,400**
One to two years	**529,475**	**87,254**	**-**
Two to five years	**239,950**	**104,196**	**-**
More than five years	**47,700**	**-**	**-**
	1,496,350	**278,704**	**12,400**

16. Capital Commitments

	2019	2018
	£	£
Contracted for	27,878	18,729
Authorised but not yet contracted for	461,122	1,055,271

17. Financial Assets

	2019	2018
Financial assets	**£**	£
Financial assets that are measured at fair value through profit or loss:		
- Listed securities	**5,666,425**	6,909,330
- Deposit accounts	**152,684**	320,867
Financial assets that are measured at amortised cost:		
- Cash at bank and in hand	**681,546**	469,086
- Trade debtors	**239,878**	327,140
- Other debtors	**781,844**	1,461,256
	7,522,377	9,487,678
Financial liabilities		
Financial assets that are measured at amortised cost:		
- Trade creditors	**251,036**	28,458
- Accruals	**175,012**	169,475
	426,048	197,933


Dorothy
House
HOSPICE CARE