

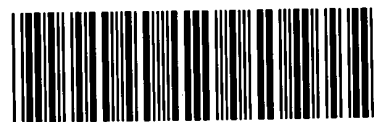
LEO HOUSE CHILDREN'S HOSPICE
A company limited by guarantee

TRUSTEES' REPORT
and
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2017

Charity Registration No 1091541
Company Registration No 03803928 (England and Wales)



TUESDAY



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07/11/2017
COMPANIES HOUSE

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017**

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**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	C Collard J Culley R Eve (resigned 05/10/2016) M Field A Harvey A Lintott R A Lintott (Chairman) A McLeish
Secretary	A Harvey
Charity number	1091541
Company number	03803928
Principal address	Lions Dene The Deneway Brighton BN1 5AZ
Registered office	Lions Dene The Deneway Brighton BN1 5AZ
Independent Examiner	VMR Anderson BA(Hons) FCA DChA Clark Brownscombe 2 St Andrews Place Lewes BN7 1UP
Bankers	HSBC Bank plc 1 Kings Parade Ditchling Road Brighton BN1 6JT Charities Official Investment Fund 80 Cheapside LONDON EC2V 6DZ

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2017**

The trustees present their report and financial statements for the year ended 30th June 2017.

The legal and administrative information on page 1 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1st January 2015)".

Objects of the Charity

The charity is a company limited by guarantee and is governed by its memorandum and articles of association. Leo House was established by Brighton Lions Club to help people living in Sussex; it was entered on the charity register by the Charity Commissioners on 5th April 2002 under number 1091541. The charity's objects are the relief of sickness of children and young people with terminal or life-limiting illness and the relief of need, hardship and distress of the families of those young people or children.

Structure, constitution and organisation

The Trust's affairs are managed by a Board of Directors consisting of at least three trustees being members other than paid employees and elected by the members in general meeting. Directors are required to retire in rotation at Annual General Meetings on a three-year cycle but may offer themselves for re-election. The Chairman is elected by the Board for a period it determines and controls the Trust's day to day operations.

Trustees

The trustees are also the directors for the purpose of company law. None of the trustees has any beneficial interest in the company. All of the trustees are members of the company and guarantee to contribute £20 in the event of a winding up.

Induction and training of trustees

All prospective trustees are expected to attend courses to enhance their knowledge in areas of benefit to the charity and to be fully conversant with Charity Commission trustee guidelines, and trustees, once appointed, maintain their knowledge through Charity Commission updates, training courses and background reading.

Review of activities

During the year under review we have continued to provide a hospice service at home for terminally ill children and young people under an agreement with Chestnut Tree House, which employs and manages the Leo House paediatric nursing team. The breadth of the service provided by the nurses is comprehensive, including end of life care at home, bereavement support to families and day-to-day support for life-limited children and young people requiring skilled specialist nursing. This close contact care is not routinely available through statutory services.

The trustees confirm that they have referred to the guidance in the Charity Commissions guidance on public benefit when reviewing the charity's aims and objectives. Children are referred to the service by any health care professional working with the family. All the children have complex medical needs and life limiting or life threatening diseases. Referrals are reviewed by the medical and nursing teams to assess their care requirements. All families are offered fourteen in house days of respite care free of charge in addition to their community care.

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2017**

Review of financial position

There was a shortfall of £70,771 (2016 - £69,707) during the year under review. Major donations were received from The Brighton District Nursing Association £4,300, Sussex Masonic Charities £2,000, Ryle House at Brighton College £971, Brighton Lions £2,100 and Max Miller Appreciation Society £1,280. The East Brighton Golf Club charity day raised £1,206 and quiz events throughout the year raised £820. The charity was notified of a £5,000 legacy from Joan Snudden, included in these financial statements but received after the year end. The local community continues to support the charity; the overall level of donations and income from fundraising events was less than last year.

Net assets at the balance sheet date were £27,053 (2016 - £97,824). The trustees are committed to supporting the Leo House specialist nursing team and to this end have entered into a shared funding agreement with Chestnut Tree House so that the nurses can continue their work with any shortfall in funding their costs being paid by Chestnut Tree House. This agreement is reviewed annually.

Reserves policy

There are no specific restrictions placed on the funds of the Trust other than they be applied for the furtherance of the Trust's objectives to provide a hospice service for children and young people from East Sussex and Mid-Sussex.

Risk factors

During the year the trustees have reviewed the major risks to which the charity is exposed and are satisfied that systems are in place to mitigate exposure to the major risks. Risks have been assessed under the headings of Governance, Operations, Finance, Compliance and External Factors. The trustees will keep under review the risks facing the Trust and mitigation measures against those risks. Particular attention is given to major risks which would prevent or restrict us from achieving our objectives. These include changes in nursing staff and changes in employment and other legislation that may impact on our contractual or funding arrangements with Chestnut Tree House. The greatest risk to the charity continues to be financial; the Trustees are agreed that without further significant income which has previously only been possible through legacies it may not be possible to continue to operate in the long term. Significant work has been undertaken in recent years to increase knowledge of legacy giving, including specialist training of trustees, direct communication with local solicitors, mention in the regular newsletter and a legacy-giving area on the website. The Trustees maintain regular dialogue with Chestnut Tree House management who understand the Leo House financial position, have agreed a funding plan and are committed to continuing to work with us.

Related parties

Related party transactions are as described in note 10 of the financial statements.

Trustees' responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the charitable company's state of affairs at the end of the year and of its income and expenditure for that period.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

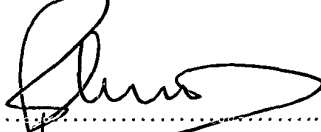
**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 30TH JUNE 2017**

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

On behalf of the board of trustees


.....
R A Lintott - Trustee

Date: 30th October 2017

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF**

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

I report on the financial statements of the charity for the year ended 30th June 2017, which are set out on pages 6 to 11.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the financial statements. The charity's trustees consider that an audit is not required for this year under section 144 of the Charities' Act 2011 (the 2011 Act) and that an independent examination is needed.

Having satisfied myself that the charity is not subject to audit under Part 16 of the Companies Act 2006 and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the 2011 Act;
- to follow the procedures laid down in the General Directions given by the Charity Commissioners under section 145(5)(b) of the 2011 Act; and
- to state whether particular matters have come to my attention.

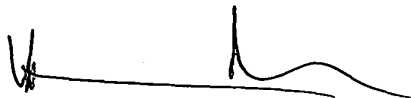
Basis of independent examiner's report

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and the seeking of explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and, consequently, no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

In connection with my examination, no matter has come to my attention to indicate that:

- accounting records have not been kept in accordance with Section 386 of the Companies Act 2006;
- the financial statements do not accord with such records;
- whether they fail to comply with relevant accounting requirements under section 396 of the Companies Act 2006, or are not consistent with the Charities SORP (FRS 102)
- any matter which I believe should be drawn to the reader to gain a proper understanding of the financial statements.



V M R Anderson BA (Hons) FCA DChA
Chartered Accountant
Clark Brownscombe
2 St. Andrews Place
Lewes
East Sussex BN7 1UP

Date: 3rd November 2017

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30TH JUNE 2017**

	Note	Unrestricted 2017 £	Unrestricted 2016 £
INCOME FROM			
Donations and legacies	2	30,989	31,945
Investments	3	<u>255</u>	<u>640</u>
Total		<u>31,244</u>	<u>32,585</u>
EXPENDITURE ON			
Raising funds		510	777
Charitable activities		<u>101,505</u>	<u>101,515</u>
Total	4	<u>102,015</u>	<u>102,292</u>
Net (deficit) for the year /net movement of funds		(70,771)	(69,707)
Fund balances at 1st July 2016		<u>97,824</u>	<u>167,531</u>
Fund balances at 30th June 2017		<u>27,053</u>	<u>97,824</u>

The notes form part of these financial statements

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**BALANCE SHEET
AS AT 30TH JUNE 2017
COMPANY NUMBER: 03803928**

	Note	2017 £	2016 £
CURRENT ASSETS			
Debtors	7	5,400	400
Cash at bank and in hand		<u>47,703</u>	<u>123,574</u>
		53,103	123,974
CURRENT LIABILITIES			
Creditors: amounts falling due within one year	8	<u>26,050</u>	<u>26,150</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>27,053</u>	<u>97,824</u>
FUNDS			
Unrestricted general fund	9	27,053	97,824
Designated funds:			
- Respite Care reserve		—	—
TOTAL FUNDS		<u>27,053</u>	<u>97,824</u>

In preparing these financial statements:

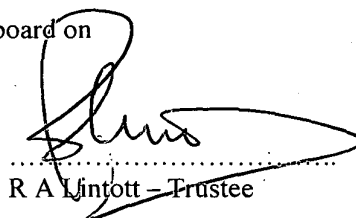
- a) The trustees are of the opinion that the charitable company is entitled to the exemption from audit conferred by Section 477 of the Companies Act 2006;
- b) No notice has been deposited under Section 476 of the Companies Act 2006, and
- c) The trustees acknowledge their responsibilities for:
 - (i) ensuring that the charitable company keeps proper accounting records which comply with Sections 386 and 387 of the Companies Act 2006, and
 - (ii) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of Sections 394 and 395, and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

The financial statements were approved by the board on



C Collard - Trustee



R A Lintott - Trustee

The notes form part of these financial statements

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017**

1. Accounting Policies

a) Basis of accounting

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 Statement of Recommended Practice: Accounting and Reporting by Charities (FRS 102, effective 1st January 2015), hereafter referred to as the Charities SORP (FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. However, there are no judgements or assumptions that have a significant risk of causing material adjustment.

b) Reconciliation with previous Generally Accepted Accounting Practice

This is the first year that the charity has presented its results under FRS 102, having previously prepared them under UK GAAP. The date of transition to FRS 102 was 1st July 2015. In preparing the financial statements the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was needed. No restatements were required.

c) Tangible fixed assets and depreciation

Tangible fixed assets of original cost exceeding £500 are capitalised and are stated at cost less depreciation. All other expenditure below £500 is written off in the year of purchase. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life.

d) Income from donations and legacies

Donations and other forms of voluntary income are recognised as incoming resources when received. It also includes Income Tax recovered and recoverable under the Gift Aid Scheme.

Legacy income is recognised when the charity is advised by the personal representative of an estate that a payment will be made or property transferred and the amount can be quantified.

Income from activities for generating funds comprises income received from fundraising events and is recognised when received.

Investment income includes interest receivable which is recognised on an accruals basis.

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017**

e) Expenditure

Charitable expenditure consists of employment and travel costs for outreach nurses and costs included in running the charity. Costs of raising income are those incurred to generate public awareness of the charitable company's presence in the local community. Resources expended are recognised on an accruals basis.

f) Fund accounting

Funds held by the charity are either

- *Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the trustees.
- *Designated funds* – these are funds set aside by the trustees out of unrestricted general funds for specific future purposes or projects.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

2. Donations and Legacies

	2017 £	2016 £
Donations and gifts	25,989	30,845
Legacies	<u>5,000</u>	<u>1,100</u>
	<u>30,989</u>	<u>31,945</u>

3. Investment Income

	2017 £	2016 £
Interest receivable	<u>255</u>	<u>640</u>

4. Expenditure

	2017 £	2016 £
<u>Raising funds:</u>		
Website, telephone and post	294	543
Fundraising and publicity	<u>216</u>	<u>234</u>
	<u>510</u>	<u>777</u>
<u>Charitable activities:</u>		
Cost of nursing staff salaries and travel	100,000	100,000
Administration	<u>1,505</u>	<u>1,515</u>
	<u>101,505</u>	<u>101,515</u>
 Total	 <u>102,015</u>	 <u>102,292</u>

Cost of nursing staff salaries and travel relates wholly to nurses employed by Chestnut Tree House acting for Leo House. No nursing staff have emoluments exceeding £60,000.

Administration includes payments to the independent examiner £ 1,050 (2016 - £1,038).

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017**

5. Trustees

None of the trustees (nor any persons connected with them) received any remuneration during the period, nor were any of them reimbursed for any travelling expenses (2016 - £0).

6. Taxation

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

7. Debtors

	2017 £	2016 £
Other debtors	<u>5,400</u>	<u>400</u>

8. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	25,000	25,000
Accruals	<u>1,050</u>	<u>1,150</u>
	<u>26,050</u>	<u>26,150</u>

9. Analysis of movements on funds

	General Fund £	Designated Funds £	Total £
Balance at 1st July 2016	97,824	-	97,824
Movements for the year	<u>(70,771)</u>	<u>-</u>	<u>(70,771)</u>
Balance at 30th June 2017	<u>27,053</u>	<u>-</u>	<u>27,053</u>

The trustees had previously designated funds in the Respite Care reserve to meet costs during the notice period agreed with Chestnut Tree House in the event of cessation of Leo House operations. A funding plan based on current income levels was agreed with Chestnut Tree House management in 2016 and the designated reserve incorporated into general funds. The plan, reviewed annually, allows the Leo House nursing team to continue to operate in the event of insufficient income to fund salaries, the shortfall being paid by Chestnut Tree House until such time as funding recovers.

**LEO HOUSE CHILDREN'S HOSPICE
(LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30TH JUNE 2017**

10. Related Party Transactions

One trustee of the charity during the year is a member of Brighton Lions Housing Society Limited which provided office space free of charge (estimated value £750) to the charity during the year.

Donations amounting to £1,081 (2016 - £1,600) were made by trustees during the year.

One trustee was also a trustee of St Barnabas Hospices, including Chestnut Tree House, to which Leo House makes payments to fund our nursing team. Some fundraising services were provided by Chestnut Tree House free of charge in return for the use of the Leo House name for their fundraising and publicity purposes in connection with the Chestnut Tree House charity shop.