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Helen & Douglas House

(A Company Limited by Guarantee)

Registered Charity No: 1085951

Registered Company No: 04120488

Accounts

for the year ended

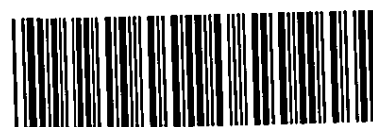
31st March 2009

Wenn Townsend

Chartered Accountants

Oxford

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COMPANIES HOUSE

Helen & Douglas House

Trustees:	Sister F Dominica A R Cooper D W Shorey Mrs S Haywood D Craig A Wilkinson Mrs T Hill Mrs E Drew
Chief Executive:	T H Hill
Company secretary :	G Baker
Solicitors:	HMG Law LLP 126 High Street Oxford OX1 4DG
Auditors:	Wenn Townsend 30 St. Giles' Oxford OX1 3LE
Bankers:	National Westminster Bank plc 121 High Street Oxford OX1 4DD
Investment Managers:	The Central Board of Finance of the Church of England 80 Cheapside London EC2V 6DZ
Registered Office:	126 High Street Oxford OX1 4DG
Principal Office:	14a Magdalen Road Oxford OX4 1RW
Registered Charity Number:	1085951
Registered Company Number:	04120488

Helen & Douglas House
Trustees' Report
for the year ended 31st March 2009

The trustees, who are also directors of the charity for the purposes of the Companies Act, submit their annual report and the audited financial statements for the year ended 31st March 2009. Legal and administrative information set out on page 1 forms part of this report. The annual report and financial statements comply with the SORP, other current statutory requirements and the charity's memorandum and articles of association.

Objectives and activities

The objects of Helen & Douglas House are the relief of sickness and stress, in particular:

- To offer palliative care, support and friendship to people aged 0-40 who are suffering with life-limiting illnesses;
- To offer relief to relatives by offering short-term residential care for sufferers, their families and their carers;
- To assist families and carers with the care of the sufferer and to offer support throughout the illness and in bereavement.

The charity's overarching aims are to do all that it can to make as good as possible the short lives of the children and young people in its care and to support their families/ carers.

The year 2008/09 was the first year of a new four-year strategic period in the life of the charity. Focussed on the children, young adults and their families - carers "**Choice**" is the thematic core of the strategy. The plan's title "We are 25! But Still Learning" describes a charity that has never ceased to learn since its establishment in 1982. The plan is predicated on four principal strategic objectives:

1. To be the Hospice that Families choose.
2. To be the Charity that Donors and Volunteers Choose to Support.
3. To be the Employer of Choice.
4. To be the Partner Chosen by Statutory, Voluntary and Commercial Agencies.

Each objective represents a long-term goal associated with which are a number of "key tasks".

Most of the charity's activities with children and young adults are carried out in the settings of Helen House and Douglas House where residential-respite and end-of-life care are provided. Bereaved families are usually supported at home.

Helen House is an eight-bedded children's hospice, which, as much as it can be, is a home-from-home where each child has her or his own bedroom; parents may choose to sleep in the same room as their child or in family accommodation that provides comfort and complete privacy.

Douglas House is a seven-bedded respite for young adults where each young person has her or his own en-suite bedroom; family members and/or carers accompanying the young person are accommodated in family accommodation that provides comfort and complete privacy.

The charity and public benefit

The trustees have had regard to the Charity Commission's guidance on public benefit in carrying out the charity's objectives. There is no discrimination, and any child or young adult who suffers from a life-shortening illness and her or his family can benefit from the charity's services.

Helen & Douglas House

Trustees' Report (continued) for the year ended 31st March 2009

Achievements and performance

The charity's achievements and performance for 2008/09 are here described within the context of the four main objectives set out in the strategic plan for 2008/12.

The families' choice

- At 31st March 2009 the charity was supporting 308 families (2008: 275) in the active care of children and young adults living with progressive life-shortening conditions. There were 939 stays (2008: 771) representing 3,463 bed-nights (2008: 3,064). An additional 107 families (2008: 52) received bereavement support in the year.
- Each year the work at Helen House (the children's hospice) is bench-marked against other children's hospices in the UK. Helen House's occupancy levels and costs compare favourably in this exercise.
- The trustees are very pleased to report that throughout the entire year no care-related complaints had been received.
- The management of the charity's estate and facilities, which had for several years been outsourced, was this year brought back in-house. The recruitment of a committed team of maintenance personnel has greatly improved the overall ambience of the charity's buildings experienced by guests, families, volunteers and staff.
- Plans were drawn up to extend Douglas House. This will involve replacing the small single-story, red-brick bungalow, where the charity's administration team is based, with a two-storey structure. The extension will allow a re-configuration of space in Douglas House to further improve the environment for our guests and their families as well as providing much-needed accommodation for the administration and fundraising teams. Negotiations with the local authority's planners have been protracted. Approval was obtained in August 2009 and building work is scheduled to commence in late autumn. This building project is being funded by very generous donations from two family trusts. No increases in operating costs are anticipated as a consequence of the new building.
- A generous donation resulted in the recruitment of an IT technician to work in partnership with Special Effect, a charity that develops specialist computer software for use by people with disabilities. The 'eye-gaze' technology and other IT-related projects being developed by Special Effect will potentially be of great benefit not only to the young people associated with Helen & Douglas House but also many others who are living with disabilities in different settings.
- Some investigative work was undertaken this year on the region's need for 'homes for life' for young adults with limited life expectancy. Preliminary negotiations with Abingdon and Witney College were unfortunately aborted due to the Learning and Skills Council withdrawing its offer of funding for the scheme.

The charity that volunteers and donors choose to support

- In September 2009 the charity held an event to thank its volunteers and to celebrate their work. In the last four years the number of volunteers supporting Helen & Douglas House has increased from less than 20 to over 400. Volunteers supplement the care team, support the fundraising and administration departments, operate the charity's retail network and tend the gardens at both Helen House and Douglas House.

Helen & Douglas House

Trustees' Report (continued) for the year ended 31st March 2009

- Her Royal Highness The Duchess of Cornwall, the charity's Patron, is our most famous volunteer! On 10th December 2008 the children of Helen House were invited to Clarence House, Her Royal Highness' London home, to assist with the decoration of her Christmas tree. Unfortunately Her Royal Highness was ill and couldn't meet the children. She had, however, arranged for His Royal Highness The Prince of Wales to host the event. The children, their parents and carers enjoyed a great pre-Christmas treat. The trustees are extremely grateful for all that Her Royal Highness does to promote the work of Helen & Douglas House.
- Fundraising activities continued apace throughout 2008/09. The most significant positive feature was the flow of income from direct debits generated from the considerable investment in face-to-face fundraising. Income is further analysed in the financial review section of this report.
- In December 2008 the Variety Club made a very special gift to Helen House of a new 17-seat bus. This has greatly eased the transportation of children, many of whom use very heavy electric wheelchairs.
- Ten shops were added to the Helen & Douglas House network in 2008/09 – three in Oxford city in addition to one each at Henley on Thames, Thame, Aylesbury, Beaconsfield, Cirencester, Chesham and Carterton. At 31st March 2009 the retail network consisted of 22 shops. Plans are in place for a further 6 shops in 2009/10. Several of the longer-established shops have demonstrated a strong correlation between maturity and increased profitability which augers well for the future! The shops are proving to be foci for Helen & Douglas House in the communities in which they are situated. Increased local awareness of the charity is evidenced in the results of a market research project that was carried out during the year. This indicated a clear correlation between the opening of a shop and the volume of donations from the community in which it is situated. Donations from some areas almost doubled.

The employees' choice

- 2008/09 was the year in which Douglas House reached its full complement of nursing and care staff. As a consequence all beds and other facilities for respite and end of life care are now fully functioning.
- The establishment of a Joint Consultative and Negotiating Committee, the membership of which is drawn from both staff-side and management, has greatly improved communication throughout the organisation.
- In the year under review the charity carried out a major review of the terms and conditions of employment for its entire workforce. This involved considerable preliminary work ensuring the relevance and appropriateness of all job descriptions, followed by extensive work on evaluating these against the framework established by Agenda for Change, the job evaluation process developed for use by the NHS. Benchmarking against the NHS was considered necessary to ensure the continuity of supply of nurses and other healthcare professionals.
- Additional benefits for all staff were negotiated. These included the provision of childcare vouchers and the establishment of partnership with a third party to deliver an employee assistance programme.
- Helen & Douglas House prides itself on the provision of healthy and safe working environments. Health and safety matters are regularly reported to both trustees' and managers' meetings. During 2008/09 the charity trained several members of staff to the high standards set by the Institute of Occupational Safety and Health (IOSH).

Helen & Douglas House

Trustees' Report (continued) for the year ended 31st March 2009

The partner of choice for statutory, voluntary and commercial agencies

- Helen & Douglas House continued to support the regional network of individuals and organisations responsible for the provision of children's palliative care in the northern section of the area for which South Central Strategic Health Authority has responsibility. The network representatives met at Douglas House several times during 2008/09 and made good progress in establishing a strategic framework for the delivery of children's palliative care throughout the region
- The Department of Health maintained its financial support for the charity's medical team through a Section 64 Grant of £250k. Financial contributions from local authorities towards the cost of residential care at Douglas House amounted to £319k – a total statutory contribution of £569k (2008: £528k). The charity has continued to lobby for equitable financial contributions from statutory agencies for the care that it provides to children and their families. All children's work, however, continues to be fully funded from donated income.
- A partnership between Oxfordshire County Council and Helen House has resulted in the provision by Oxfordshire Hospital School of a teacher with experience in addressing the special needs of children with disabilities. The teacher, who started working at Helen House in January 2009, enables the charity to deliver continuity of education whilst children are resident at Helen House. The teaching service is available to well siblings in addition to the children in the hospice's care.
- Following the success of 'The Children of Helen House', the 2007 eight-part television documentary series, BBC2 requested permission to make a follow-up documentary. Research for this project started in April 2008 and a one-hour programme was broadcast exactly one year later, on 2nd April 2009. The original series and this latest programme have not only done much to inform about the work of Helen & Douglas House but also to educate on children's palliative care. A large number of requests for copies of the programmes have been received from universities, colleges and schools. Interest has also been shown by hospice organisations in several countries around the world.
- Worldwide interest in the work of Helen & Douglas House has been ongoing since the charity was established in 1982. During the year there were visits from representatives of German, Swedish, US and Australian hospice organisations. The delegation from Kinderhospiz Balthasar in Germany was particularly interested to learn about Douglas House's work with young adults. There is also a growing interest from other UK children's hospices in the pioneering work of Douglas House.
- Funded by Momiji, a charity established to promote collaboration between special-needs and able-bodied young people in the UK and Japan, several young adults from Douglas House and their carers were privileged, in 2005, to enjoy the trip of a lifetime to Japan. As a result of this trip a relationship was established between Helen & Douglas House and a group of Japanese paediatricians who are endeavouring to create a Japanese model for children's palliative care. This relationship has been of interest to members of the Japanese Diaspora living in the south of England and as a consequence has been of great benefit to Helen & Douglas House's fundraising. During the year the Principal Minister at the Japanese Embassy in London, along with his wife, visited Helen & Douglas House. This resulted in a member of the Douglas House Care Team travelling to Japan, funded by the Japanese Embassy, as part of the Embassy's cultural exchange programme for young 'core' leaders. In July 2008 Toyota GB donated a new Hiace Transporter Mini-bus and a Yaris saloon car to the charity. At the same time Momiji started planning another trip to Japan for six young adults and their carers which took place in May 2009. More will be written about the outcomes from this trip in next year's trustees' report.

Helen & Douglas House

Trustees' Report (continued) for the year ended 31st March 2009

- Reference was previously made to the growth of the charity's retail network. Helen & Douglas House is now perceived as a leading player in charity retailing. David Cryer, Helen & Douglas House's Retail Manager, is a trustee and Deputy Chairman of the Association of Charity Shops, the 'industry's' national umbrella body. At the Association's annual conference in July 2008 David presented the results of a joint research project with the University of Southampton on criteria for locating charity shops. Tom Hill, Helen & Douglas House's Chief Executive, closed the conference with a talk about the values that he considers should underpin charity retailing.
- Helen & Douglas House is a member of Children's Hospice UK, the national umbrella body that represents the children's hospice movement. In November 2008 Sister Frances Dominica, the founder of Helen & Douglas House, delivered the keynote address to several hundred delegates at Children's Hospice UK's annual conference. Sister Frances' message not only reminded the delegates of the movement's beginnings but also of its need constantly to develop in line with the changing needs of families.

Financial review

The Statement of Financial Activities (SOFA) indicates that restricted funds were in deficit by £3,559k for the year (2008: £3,567k). This deficit accords with the trustees' policy of using restricted funds to the fullest extent for the charitable activities of both Helen House and Douglas House.

Overall Helen & Douglas House's income decreased by 17% to £5,324k (2008: £6,422k). The decrease was due to a substantial fall in donations, gifts and legacies. In the light of difficulties in the stock market the level of investment income (£553k) compared well to the previous year (2008: £590k). Statutory income (£569k) also held up well compared to £528k in 2007/08. The increase related to additional financial contributions from local authorities for stays by young adults at Douglas House.

Due to the increase in the number of shops, income from the sale of bought in and donated goods almost doubled to £1,467k (2008: £748k). Associated costs however more than doubled due to the large investment in ten new shops. The trustees recognise the lag between investing in shops and their profitability. Financial projections suggest that the shops will generate substantial net profit with effect from 2009/10.

The charity expended £4,046k (2008: £3,737k) on the delivery of palliative care and family and bereavement support. The 8% increase is accounted for by the creation of several new posts, wage inflation and increases in operating and establishment costs, some of which relate to back payments made to staff as a consequence of the review of terms and conditions of employment.

The overall result for the year is a deficit of c£2m before accounting for losses on investments. This compares to a surplus of £624k in 2007/08. Due to unrealised losses in the value of the charity's investment portfolio (see next section) Helen & Douglas House's total funds decreased by £4.6m to £14.6m. Of this figure, the readily realisable reserves amounted to £8,936k (2008: £14,205k).

Investment policy

The charity has a substantial investment portfolio which at 31st March 2009 had a market value of £8.5 million (2008: £12.6 million). Of this £6.8 million (81%) is managed by CCLA Investment Management Ltd (the Central Board of Finance of the Church of England). The trustees aim is to preserve the real capital value of the investments held by the charity, while at the same time maximising income. Investments are divided between equity funds, fixed interest funds, property funds and cash. The percentage proportions of the portfolio are reviewed at least annually and, under the guidance of CCLA Investment Management Ltd, amended according to the anticipated market conditions and organisational needs. The quarterly reports from CCLA's Social Responsibility Investigation Unit confirm to the trustees that the CBF funds' managers adopt a rigorous approach to corporate social responsibility in line with their instructions on environmental, ethical and social codes.

Helen & Douglas House

Trustees' Report (continued) for the year ended 31st March 2009

73% of the CBF investments are in the CBF investment fund. 2008-09 was a difficult and challenging period for investment markets. Over the twelve months to 31st March 2009 the funds value fell by -24.1%, a decline similar to, but slightly greater than the -23.2% decline in the comparator index (the comparator index is a composite of the FTSE all-share 60%, FTSE World ex UK 20%, IPD All Properties 10% & FTSE UK Government All Stocks 10%). The fund managers' explanation for the fall was the bias of the portfolio towards higher yielding stocks which lagged the equity market.

13% of the CBF investments are in the CBF property fund. Commercial property prices fell over the year as valuations were reduced to reflect prices being achieved in transactions. In this difficult environment the fund declined in value by -21.6%. This compares favourably with an estimated decline in the benchmark of -29.2%. In this case the benchmark is HSBC/AREF/IPD Balanced Property Unit Trust Index.

The remaining 14% of the CBF investments are in the CBF Fixed Interest Securities Fund. Over the twelve months to 31st March 2009 the fund produced a return of +5.9% compared to an estimated +3.5% return on the benchmark – WM Co. CFS Universe (UK Bonds). Government securities have been supported over the period by investors seeking respite from volatile markets. Corporate bonds have performed less well due to default concerns.

Future prospects will depend on how the worldwide economic situation develops. The CBF Investment Fund has maintained a diversified portfolio. The Fund holds a balance of domestic and international shares, property, government bonds and new investments such as infrastructure. The trustees are of the opinion that it remains an appropriate location for the major portion of the charity's investment portfolio.

Structure, governance and management

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

On 1st April 2002 the funds and activities of both Helen House and Douglas House were transferred to a new charitable company, limited by guarantee, and then known as The Oxford Respices for Children and Young People. The company's name was changed by Special Resolution to "Helen & Douglas House" in June 2005.

The charity's trustees are appointed by its members who for the time being are the trustees of the Society of All Saints Sisters of the Poor. One third of the nominated trustees must retire at each Annual General Meeting of the charity. Trustees retiring by rotation are eligible for re-appointment.

The chief executive is responsible for organising an induction programme for new trustees and ongoing training for all trustees. Each trustee receives a trustee induction file on appointment. This and ongoing training are based on material provided by Help the Hospices, the umbrella body of the hospice movement in the United Kingdom.

Whilst the trustees have, and accept, ultimate responsibility for directing the charity's affairs they have delegated authority for day-to-day operational decisions to the chief executive, who reports to them at the bi-monthly meetings of the board. The director of clinical services leads the team of doctors, nurses, carers and other healthcare professionals with specialist knowledge in adult and paediatric palliative care. The director of support services is responsible for directing the finance, fundraising, retailing and estates management functions. Human resource management (volunteers and paid staff) straddles both directorates. The manager of human resources reports directly to the chief executive.

Helen & Douglas House
Trustees' Report (continued)
for the year ended 31st March 2009

Each child or young adult in the charity's care is allocated a named member of staff for each period of duty to ensure that she or he and her/ his family are given individual attention. The family is also allocated a key-worker/ team who acts/act as a link between the health professionals involved in a child's or young adult's care and his or her family.

The ethos of Helen & Douglas House fosters partnerships between staff, children, young adults and their families - carers. During a respite stay the staff aim to maintain the child's or young adult's normal routine whenever possible but to also make the 'now' as special and enjoyable as possible. Treatments - consultations available at Helen House and Douglas House include symptom management, pain relief, physiotherapy, complementary therapies such as aromatherapy and music therapy, end-of-life care and bereavement support.

As previously noted the trustees have a clear strategic focus based on a plan for the four years 2008 to 2012 ("We are 25! But Still Learning"). Financial projections that represent the cost of the plan's annual out-working are presented to the trustees for scrutiny and approval. The plan's progress is monitored by the board through the bi-monthly reports and monthly management accounts submitted to it by the chief executive and the directors. The key achievements for 2008/09 based on the 2008/2012 strategic plan are noted earlier in this report.

Helen & Douglas House values the support that it enjoys from its association with Help the Hospices (HtH) (the umbrella body for hospice organisations in the United Kingdom) and Children's Hospices UK (the umbrella body for organisations involved in paediatric palliative care). Both Help the Hospices and Children's Hospices UK engage in nationwide campaigning and fundraising initiatives on behalf of their members. The support that they give local organisations like Helen & Douglas House on areas such as political lobbying and awareness-raising ensures that finite local resources are channelled, undiluted, into the provision of palliative care of the highest quality.

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

During the year under review the charity has continued to work hard to establish a core group of c400 volunteers. The trustees value the contributions made by volunteers and are committed to providing further opportunities for volunteering. It is our ongoing belief that a rich and diverse source of 'grass-root' support is essential for the charity's future wellbeing.

Reserves policy

Helen & Douglas House is committed to providing a continuum of care for all children and young people that have used the facilities of both houses until they reach the age of 40. The number of children and young people being cared for in the last six years averages 223 a year. At 31st March 2009, 308 children and young adults were being cared for compared to 275 at the previous year end. The present value of the commitment to care for children already known to Helen & Douglas House has been estimated at £37 million.

Restricted funds (note 11)

Funds raised before the building of Douglas House are considered to be restricted for the use of Helen House with its commitment to care for children and their families, as are those funds raised since which are given explicitly for Helen House. After running costs the fund now stands at £3.6million (2008: £7.2million).

Funds raised for the building and running of Douglas House have now been exhausted with operating costs exceeding income received. The overspend has been met from unrestricted funds.

Helen & Douglas House
Trustees' Report (continued)
for the year ended 31st March 2009

Restricted funds (note 12)

Unrestricted funds amount to c£11 million.

The trustees recognise that fundraising efforts will need to increase or operating costs reduce over the next year as unrestricted funds will be called upon to meet the annual expenditure of Douglas House.

Risk management

The trustees examined the principal areas of the charity's operation and consider the major risks in these areas. The trustees consider the charity's systems are such that these risks are mitigated to an acceptable level.

The risk management strategy forms part of the annual planning process against which the trustees regularly review progress. The trustees not only review the annual plans but also seek to anticipate future risks by undertaking a regular four-year planning programme.

With regard to financial risk, the trustees believe that the current level of Helen & Douglas House's readily realisable reserves, combined with the annual review of the controls over key systems, will provide sufficient resources in the event of unplanned, adverse conditions.

Plans for the future

In line with the strategic plan for 2008/12 the trustees have identified the following as priority activities for 2009/10:

- To work in partnership with colleagues from the NHS and other voluntary agencies involved in South Central Strategic Health Authority's 'network' for children's palliative care to ensure that all children with life-shortening illnesses and their families, across the region, receive the 'right care at the right time and in the right place'.
- To promote greater involvement in decision-making by those who use the charity's services (children, young adults and their families).
- To further develop the network of volunteers who support the charity's work.
- To advance a 'quality' agenda using PQASSO (Practical Quality Assurance for Small Organisations) and the development of Key Performance Indicators (KPIs) across the entire organisation.
- To review the charity's financial and service delivery models with the objective of bringing annual expenditure into line with the projections of sustainable income.

Trustee board members

The members of the trustee board, who are also directors under the terms of the Companies Act, are set out on page 1. The members of the trustee board have no beneficial interest in the group or the charity.

Trustees' responsibilities

The Trustees are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Helen & Douglas House
Trustees' Report (continued)
for the year ended 31st March 2009

Company and Charity Law require the trustees to prepare accounts for each financial period which give a true and fair view of the state of affairs of the charity as at the end of the financial period and of the surplus or deficit of the charity for that period. In preparing those accounts the trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Follow applicable accounting standards, subject to any material departures disclosed and explained in the accounts;
- Prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue.

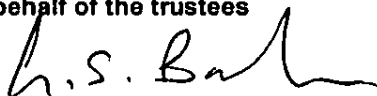
The trustees have overall responsibility for ensuring that the charity has an appropriate system of controls, financial and otherwise. The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Acts. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that so far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. They have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution proposing that Wenn Townsend be re-appointed as auditors of the charity will be put to the Annual General Meeting.

On behalf of the trustees



Mr. Gary Baker
Company Secretary

29th September 2009

Helen & Douglas House

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

We have audited the financial statements of Helen & Douglas House for the year ended 31st March 2009 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charity's balance sheet, the consolidated cash flow statement and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein.

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

Respective responsibilities of trustees and auditors

The Trustees' (who are also the directors of Helen & Douglas House for the purposes of company law) responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities. Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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

We read the Trustees' Report, and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of opinion

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

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

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the affairs of the charity and the group as at 31st March 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Trustees' Report is consistent with the financial statements.


Wenn Townsend

Chartered Accountants and Registered Auditors

Oxford

30th September 2009

Helen & Douglas House

Consolidated Statement of Financial Activities for the year ended 31st March 2009

Note

Incoming resources

	Restricted £'000	Unrestricted £'000	Endowment £'000	Total £'000	2008 £'000	
Incoming resources from generated funds:						
Voluntary income	104	2,631	-	2,735	4,556	
Activities for generating funds	-	1,467	-	1,467	748	
Investment income	199	354	-	553	590	
Incoming resources from charitable activities	569	-	-	569	528	
Total incoming resources	2	872	4,452	-	5,324	6,422

Resources expended

Costs of generating funds:						
Costs of generating voluntary income	790	562	-	1,352	1,134	
Cost of fundraising trading (shops)	-	1,895	-	1,895	879	
Charitable activities:						
Hospice care	2,209	1,415	-	3,624	3,350	
Bereavement	247	175	-	422	387	
Governance costs	25	17	-	42	48	
Total resources expended	3	3,271	4,064	-	7,335	5,798

Net incoming/(outgoing) resources

Realised	6	(159)	(202)	-	(361)	5
Unrealised	6	(1,001)	(1,273)	(1)	(2,275)	(948)

Net movement in funds

		(3,559)	(1,087)	(1)	(4,647)	(319)
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Fund balances brought forward

at 31st March 2008		7,193	12,053	52	19,298	19,617
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Fund balances carried forward

at 31st March 2009		3,634	10,966	51	14,651	19,298
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Represented by:

Fixed assets	1,190	4,525	-	5,715	5,093
Investments	2,042	6,354	51	8,447	12,632
Current assets	571	609	-	1,180	1,812
Current liabilities	(169)	(522)	-	(691)	(239)
	3,634	10,966	51	14,651	19,298

The reduction in funds excluding the subsidiary amounted to £4,647,755.

Registration
number : 24120488

Helen & Douglas House

Consolidated Balance Sheet
at 31st March 2009

	Note	£'000	£'000	2008 £'000	£'000
Fixed assets	5				
Properties			4,218		4,351
Fixtures and fittings			1,420		727
Motor vehicles			77		15
			<u>5,715</u>		<u>5,093</u>
Investments					
Investments	6		8,447		12,632
Current assets					
Stocks		120		70	
Debtors	7	448		310	
Investments	8	50		91	
Bank and cash		631		1,341	
		<u>1,249</u>		<u>1,812</u>	
Current liabilities					
Creditors	9	(760)		(239)	
Net current assets			<u>489</u>		<u>1,573</u>
Net assets			<u>14,651</u>		<u>19,298</u>
Accumulated funds					
Endowment			51		52
Restricted	11		3,634		7,193
Unrestricted	12		10,966		12,053
			<u>14,651</u>		<u>19,298</u>

A R Cooper (Trustee)

A R Cooper

29th September 2009

Helen & Douglas House

Registration
number
04120488

Balance Sheet
at 31st March 2009

	Note	£'000	£'000	£'000	2008 £'000
Fixed assets	5				
Properties			4,218		4,351
Fixtures and fittings			1,420		727
Motor vehicles			77		15
			<u>5,715</u>		<u>5,093</u>
Investments					
Investments	6		8,447		12,632
Current assets					
Stocks		10		11	
Debtors	7	523		398	
Investments	8	50		91	
Bank and cash		631		1,296	
		<u>1,214</u>		<u>1,796</u>	
Current liabilities					
Creditors	9	(733)		(231)	
Net current assets			<u>481</u>		<u>1,565</u>
Net assets			<u>14,643</u>		<u>19,290</u>
Accumulated funds					
Endowment			51		52
Restricted	11	3,634			7,193
Unrestricted	12	10,958			12,045
			<u>14,643</u>		<u>19,290</u>

A R Cooper (Trustee)

A R Cooper

29th September 2009

Helen & Douglas House

Consolidated Cash Flow Statement
for the year ended 31st March 2009

			2008	
Net cash flow from operating activities:	£'000	£'000	£'000	£'000
Net (outgoing)/incoming resources		(2,011)		624
Depreciation		522		330
(Gain)/loss on disposal of fixed assets		(1)		4
(Increase) in stocks		(50)		(6)
Increase/(decrease) in creditors		452		(30)
(Increase) in debtors		(138)		(47)
Decrease in current investments		41		56
		<u>(1,185)</u>		<u>931</u>
Investing activities:				
Sale of investments	1,600		502	
J P Morgan interest	(51)		(74)	
	<u></u>	1,549	<u></u>	428
Fixed assets				
Additions	(1,145)		(385)	
Sale of fixed assets	2		3	
	<u></u>	(1,143)	<u></u>	(382)
(Decrease)/increase in cash balance		<u>(779)</u>		<u>977</u>
Movement in cash balances				
	2009	2008	Change	
	£'000	£'000	£'000	
Bank overdraft	(69)	-	(69)	
Bank and cash balances	631	1,341	(710)	
	<u>562</u>	<u>1,341</u>	<u>(779)</u>	

Helen & Douglas House
Notes to the Accounts (continued)
for the year ended 31st March 2009

1 Accounting policies (continued)

Stock

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

Investments

Investments are stated at market value. Changes in value are shown as unrealised gains or losses in the Statement of Financial Activities.

Taxation

No corporation tax is payable due to the charitable status of the parent company. Taxable profits generated by the trading subsidiary are transferred to the parent company under gift aid.

Pension costs

The company operates a defined contribution scheme for the benefit of its employees and contributes to the NHS pension scheme for employees that are eligible. The costs of contributions are written off against profits in the year they are payable.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Endowment fund

Donated funds which the donors wish the capital to be retained and only the income applied for running the charity.

Restricted funds

These are funds where the donor has placed restrictions on how they are spent.

Funds donated for specific residents are treated as restricted for costs of the house they reside in. Funds donated explicitly for one of the houses are treated as a restricted fund for use in running that house. Funds for the purchase of fixed assets are transferred to unrestricted once the asset has been acquired.

Unrestricted funds

Represent donations where donors have imposed no restrictions.

2 Incoming resources

	2009 £'000	2008 £'000
Voluntary income		
Donations and gifts	2,410	3,172
Legacies	325	1,384
	<u>2,735</u>	<u>4,556</u>
Activities for generating funds		
Sales of donated and bought-in goods	1,460	748
Web sales	7	-
	<u>1,467</u>	<u>748</u>
Investment income		
Rental income	16	17
CAF Funds	453	465
Banks, building society interest	84	108
	<u>553</u>	<u>590</u>
Charitable activities		
Section 64 - Children's Hospice and Children's Hospice at Home grant*	250	250
Local authority contributions to residents fees	319	278
	<u>569</u>	<u>528</u>

* The £250,000 is a grant from the Department of Health to be applied towards the costs of providing a medical service.

Helen & Douglas House
Notes to the Accounts
for the year ended 31st March 2009

1 Accounting policies

The following accounting policies have been used consistently in dealing with items considered to be material in relation to the charity's accounts.

Accounting basis

The accounts have been prepared in accordance with:

- a) SORP 2005 and relevant accounting standards.
- b) The Companies Act 1985.
- c) The historical cost basis of accounting except for investments and investment property which have been included at market value.

Basis of consolidation

The consolidated financial statements comprise the accounts of Helen & Douglas house and its subsidiary made up to 31st March 2009. A separate statement of financial activities dealing only with the results of the company has not been presented in accordance with section 230 of the Companies Act 1985. The trading results of the subsidiary are shown in note 6.

Incoming resources

Cash donations are credited to the Income and Expenditure Account as received. Where assets have been donated a cash equivalent is included. Items with a value of less than £5,000 are not included in the accounts because it would not be economical to establish a fair value.

Legacies are credited to income when the charity has been notified that it is a beneficiary and the amount is determinable.

A significant contribution is made by volunteers throughout the year and the value of these donated services is not reflected in the accounts.

Investment income is accounted for on an accruals basis.

Income raised through its shops (run by the trading subsidiary) is recognised on a receipts basis.

Tax recoverable on amounts received by way of gift aid is included in the accounts on a receivable basis.

Resources expended

Expenditure is recognised on an accrual basis as liability is incurred. Any irrecoverable VAT is included as part of the expenditure to which it relates.

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shops.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.
- All costs are allocated between the expenditure categories of the SOFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis, eg. per capita or estimated usage.

Depreciation

Depreciation is calculated using the following rates and bases which are appropriate to the useful lives of the assets and their residual value:

Buildings	2% Straight line
Computer equipment	33⅓% Straight line
Fixtures, fittings and equipment	15% Straight line
Motor vehicles	25% Straight line

Surpluses or deficits arising on the disposal of fixed assets are adjusted in the depreciation charge for the year.

Helen & Douglas House
Notes to the Accounts (continued)
for the year ended 31st March 2009

3 Resources expended

	Hospice Care £'000	Bereavement £'000	Fund Raising £'000	Shops £'000	Governance £'000	Total 2009 £'000	Total 2008 £'000
Staff	2,680	298	334	671	-	3,983	3,332
Shop purchases	-	-	-	121	-	121	90
Operating costs	174	9	793	-	-	976	896
Establishment	202	11	24	705	-	942	528
Support costs	568	104	201	398	42	1,313	952
	<u>3,624</u>	<u>422</u>	<u>1,352</u>	<u>1,895</u>	<u>42</u>	<u>7,335</u>	<u>5,798</u>

Support costs

Admin staff	231	48	177	-	23	479	419
Office costs	40	20	3	71	1	135	100
IT costs	28	3	2	37	-	70	24
Audit and accountancy	-	-	-	-	14	14	13
Professional charges	10	2	4	77	1	94	61
Depreciation	259	31	15	213	3	521	335
	<u>568</u>	<u>104</u>	<u>201</u>	<u>398</u>	<u>42</u>	<u>1,313</u>	<u>952</u>

Support costs are allocated on a basis consistent with the level of the use of the resources.

Charitable expenditure includes

	2009 £'000	2008 £'000
Auditors' remuneration	14	11
Operating lease rentals – land and buildings	<u>443</u>	<u>211</u>

Helen & Douglas House
Notes to the Accounts (continued)
for the year ended 31st March 2009

4 Wages and salaries

The average number of employees by function was:

	2009	2008
Nursing and care services - Full time	48	53
- Part time	60	51
Cost of generating funds	12	7
Management and administration	18	12
Shop staff	53	28
Estate staff	4	-
	<u>195</u>	<u>151</u>
Staff payroll costs		
	£'000	£'000
Wages and salaries	3,632	3,051
Social security	311	272
Pension costs	177	170
	<u>4,120</u>	<u>3,493</u>
Agency, advertising and other	342	258
	<u>£ 4,462</u>	<u>£ 3,751</u>

One employee earned between £60,000 and £70,000, and one between £70,000 and £80,000.

The number of volunteers who worked for the group without pay during the year was 450.

Pension costs

The charity operates a defined contribution scheme and certain staff are entitled to be members of the NHS pension scheme. The NHS scheme is an unfunded, defined benefit scheme for NHS employers, General Practices and other bodies allowed under the direction of the Secretary of State. It is not possible for Helen & Douglas House to identify its share of the underlying scheme liabilities and the scheme is accounted for as if it were a defined contribution scheme.

Contributions for both schemes are charged to the statement of financial activities as they accrue. The total charge for the year was £177,459 (2008 : £169,934).

Helen & Douglas House

Notes to the Accounts (continued) for the year ended 31st March 2009

5 Fixed assets

Group and Company

	Buildings £'000	Fixtures, Fittings & Equipment £'000	Motor Vehicles £'000	Total £'000
Cost				
At 31st March 2008	5,357	1,323	116	6,796
Additions during the year	14	1,033	98	1,145
Disposals	-	-	(66)	(66)
At 31st March 2009	5,371	2,356	148	7,875
Depreciation				
At 31st March 2008	1,006	596	101	1,703
Charged in year	147	340	35	522
Eliminated	-	-	(65)	(65)
At 31st March 2009	1,153	936	71	2,160
Net book value				
At 31st March 2009	4,218	1,420	77	5,715
At 31st March 2008	4,351	727	15	5,093

Included in buildings is investment property valued at £267,000 on an open market basis at 31st March 2009. No depreciation has been charged on this in accordance with the Statement of Standard Accounting Practice 19.

Included in motor vehicle additions is £69,200 relating to donated assets.

Helen & Douglas House
Notes to the Accounts (continued)
for the year ended 31st March 2009

6 Investments	Group		Company	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Financial investments at market value	<u>8,447</u>	<u>12,632</u>	<u>8,447</u>	<u>12,632</u>
	2009		2008	
	Cost £'000	Market Value £'000	Cost £'000	Market Value £'000
The Central Board of Finance of the Church of England:				
633,212 units - fixed interest security fund	891	963	891	965
605,740 units - investment fund (2008: 772,030 units)	2,767	5,016	3,173	8,425
803,480 units - property fund (2008: 1,172,783 units)	981	868	1,431	1,724
	<u>4,639</u>	<u>6,847</u>	<u>5,495</u>	<u>11,114</u>
J P Morgan equity fund	1,533	1,533	1,437	1,437
Listed investments	87	67	87	81
	<u>6,259</u>	<u>8,447</u>	<u>7,019</u>	<u>12,632</u>
Market Value at 1 st April 2008				12,632
Proceeds from sale of investments				(1,600)
J P Morgan net income rolled up				51
Unrealised losses				(2,275)
Realised losses				(361)
Market value at 31st March 2009				<u>£ 8,447</u>

The subsidiary "Helen & Douglas House (Trading) Limited", a company incorporated in England, is the wholly owned retail trading company of the Charity. A summary of the results of the company is as follows:-

	2009 £'000	2008 £'000
Sales	202	173
Cost of sales	(120)	(90)
Gross profit	<u>82</u>	<u>83</u>
Administrative expenses	(3)	(3)
Gifted to Charity	(79)	(80)
Retained in subsidiary	<u>-</u>	<u>-</u>
Reserves brought forward	8	8
Reserves carried forward	<u>8</u>	<u>8</u>

Helen & Douglas House

Notes to the Accounts (continued) for the year ended 31st March 2009

7 Debtors

	Group		Company	
	2009 £'000	2008 £'000	2009 £'000	2008 £'000
Trade debtors	83	81	83	81
Investment income	65	77	65	77
Income tax	53	32	53	32
Prepayments	163	98	163	98
Subsidiary undertaking	-	-	77	88
VAT	65	22	63	22
Other debtors	19	-	19	-
	<u>448</u>	<u>310</u>	<u>523</u>	<u>398</u>

8 Current asset investments

CAF Gold	10	26	10	26
CBF Deposit fund	40	65	40	65
	<u>50</u>	<u>91</u>	<u>50</u>	<u>91</u>

9 Creditors

Bank overdrafts	69	-	57	-
Trade creditors	567	110	552	102
Social security and other taxes	105	104	105	104
Accruals	19	25	19	25
	<u>760</u>	<u>239</u>	<u>733</u>	<u>231</u>

10 Trustees' remuneration

No remuneration or expenses was paid to any of the trustees during the year.

Helen & Douglas House
Notes to the Accounts (continued)
for the year ended 31st March 2009

11 Restricted funds

	Helen House £'000	Douglas House £'000	Total £'000
At 1st April 2008	7,193	-	7,193
Incoming resources			
Voluntary income	57	47	104
Statutory funding	250	319	569
Investment income	199	-	199
Expenditure	(2,905)	(366)	(3,271)
Gains/losses	(1,160)	-	(1,160)
At 31st March 2009	<u>3,634</u>	<u>-</u>	<u>3,634</u>

Represented by

Fixed assets	1,190	-	1,190
Investments	2,042	-	2,042
Current assets	571	-	571
Current liabilities	(169)	-	(169)
	<u>3,634</u>	<u>-</u>	<u>3,634</u>

The Helen House fund represents funds raised for use at Helen House. The capital and income are to be used for running Helen House. The fund is invested in both short term deposits and investments with the Central Board of Finance of the Church of England as well as the building.

The following restricted donations over £5,000 were received and spent in the year:

Lancaster	£5,100	New building extension
ACH	£10,000	New bath
John Horniman's Children's Trust	£10,000	Adolescent transition worker
Maurice and Hilda Laing Charitable Trust	£31,000	Chaplain and spiritual care co-ordinator
February Foundation	£7,500	Volunteer development officer

12 Unrestricted funds

	2009 £'000	2008 £'000
General charitable funds	10,958	12,045
Non charitable trading funds	8	8
	<u>10,966</u>	<u>12,053</u>

13 Capital commitments

Authorised but not contracted	<u>1,000</u>	<u>1,000</u>
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Helen & Douglas House
Notes to the Accounts (continued)
for the year ended 31st March 2009

14 Leasing commitments

Operating lease payments amounting to £526,108 are due within one year. The leases to which these amounts relate expire as follows:-

	2009	2008
	Land and	Land and
	Buildings	Buildings
	£'000	£'000
Between one and five years	55	-
After five years	471	380
	<u>526</u>	<u>380</u>

15 Transactions with related parties

Helen & Douglas House paid rent of £35,655 to The Society of All Saints Sisters of the Poor. The members of Helen & Douglas House are trustees of the Society of All Saints Sisters of the Poor. A R Cooper and D W Shorey are trustees of both the company and the Society of All Saints Sisters of the Poor.

16 Approval of accounts

These accounts were approved by the trustees on 29th September 2009.

Helen & Douglas House

Income and Expenditure Account for the year ended 31st March 2009

	£'000	£'000	2008	
			£'000	£'000
Income				
Investment income		553		590
Donations		2,410		3,171
Sale of donated goods		1,262		576
Statutory funding		319		278
Campaign income		250		250
Donation from trading subsidiary		79		80
		<u>4,873</u>		<u>4,945</u>
Expenditure				
Wages and salaries				
Direct	2,587		2,454	
Administration and fundraising	720		575	
Pension	171		166	
Agency and other staff costs	61		39	
Contract workers	199		165	
Staff advertising	53		22	
	<u>3,791</u>		<u>3,421</u>	
Operating costs				
Housekeeping	109		134	
Medical and nursing care	9		13	
Family support/toys	14		11	
Fundraising	793		704	
Training and conferences	43		29	
Subscriptions and publications	8		5	
	<u>976</u>		<u>896</u>	
Establishment				
Rent	36		34	
Water and council tax	7		7	
Light and heat	37		36	
Insurances	23		19	
Repairs	135		136	
	<u>238</u>		<u>232</u>	
Administration				
Motor and travel	17		24	
Printing, postage and stationery	26		19	
Telephone	12		13	
Professional	32		26	
Bank charges	9		7	
Computer software and consumables	33		18	
	<u>129</u>		<u>107</u>	

Helen & Douglas House

Income and Expenditure Account for the year ended 31st March 2009

	£'000	£'000	2008 £'000	£'000
Shop Expenses				
Staff costs	671		330	
Rent and rates	455		180	
Heat and light	31		8	
Insurance	11		11	
Repairs	177		96	
Travel	45		19	
Printing and stationery	16		5	
Subscriptions	2		-	
Telephone	15		8	
Computer software and consumables	38		6	
Professional	77		49	
Bank charges	16		2	
Depreciation	213		72	
	<u>1,767</u>		<u>786</u>	
Depreciation				
Depreciation charge	309		259	
(Gain)/Loss on disposal	(1)		4	
	<u>308</u>		<u>263</u>	
Total expenditure		(7,209)		(5,705)
Net expenditure		(2,336)		(760)
Legacies		325		1,385
Unrealised losses		(2,275)		(948)
Realised (losses)/gains		(361)		5
Deficit for the year		<u>(4,647)</u>		<u>(318)</u>
Opening funds		19,290		19,608
Closing funds		<u>14,643</u>		<u>19,290</u>