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WOODLANDS HOSPICE CHARITABLE TRUST LIMITED

FINANCIAL STATEMENTS FOR YEAR ENDED 31 MARCH 2003

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WOODLANDS HOSPICE CHARITABLE TRUST LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2003

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WOODLANDS HOSPICE CHARITABLE TRUST LIMITED

COMPANY INFORMATION

Directors and Trustees	:	Mr R. Downie FRCS (Chairman) C. Brennand (Hon. Treasurer) P.M. Farrell OBE H. Harwood LL.B Very Rev. Canon A. Hawley (Retired – 24 September 2002) C.M. Hubbert MRCGP DRCOG (Vice Chairman) W.J. Wood BSc MHSM Dip.HSM Dr D. Meldrum R. Brenner JP BA Kenneth Hoskisson LL.B Tony West FEAA
Company Secretary	:	Phillip Chalmers
Auditors	:	Lonsdale & Marsh 5/7 James Street Liverpool L2 7XB
Solicitors	:	Hill Dickinson Davis Campbell Pearl Assurance House Derby Square Liverpool
Bankers	:	National Westminster Bank Plc Corner Longmoor Lane and Cedar Road Liverpool L9 OEG
Company Registration No.	:	3063721
Charity Registration No.	:	1048934
Registered Office	:	UHA Campus Longmoor Lane Liverpool L9 7LA

WOODLANDS HOSPICE CHARITABLE TRUST

TRUSTEES ANNUAL REPORT

YEAR ENDED 31 MARCH 2003

The Trustees present their report and the financial statements of the charity for the year ended 31 March 2003.

The company information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements and with those of the company's Memorandum and Articles of Association.

INTRODUCTION

The incorporated charity is governed by the Memorandum and Articles of Association. The first members of the council of management were appointed trustees of Woodlands Hospice Charitable Trust under the terms of a Trust Deed dated 6 July 1992. The council of management is authorised to appoint new trustees to fill any vacancies arising.

LEGAL STATUS

The charity, which was incorporated on 1 June 1995 is limited by guarantee whereby each member of the company undertakes to contribute such amount as may be required, not exceeding £1, to the company's assets if it should be wound up while he is a member; or within one year after he ceases to be a member, for payment of the company's debts and liabilities contracted before he ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

OBJECTS OF THE CHARITY

The object of the charity is to deliver a specialised palliative care service, principally cancer, to local people and their families.

ORGANISATION

A board of trustees, consisting of eleven members administers the charity.

CONSTITUTION

The Woodlands Hospice Charitable Trust was established as a Charitable Trust by a Trust Deed dated 6 July 1992 under registered number 1048934.

The Trust was wound down under the terms and conditions of the Trust Deed on 31 December 1995 and at that date the assets of the trust were donated to Woodlands Hospice Charitable Trust Limited. The company was incorporated on 1 June 1995 under the Companies Act 1985 as a private company limited by guarantee.

PRINCIPAL ACTIVITY

The principal activity of the company during the year was to deliver a specialised palliative care service, principally cancer, to local people and their families.

REVIEW OF DEVELOPMENTS, ACTIVITIES AND ACHIEVEMENTS

The trustees consider the performance of the charity this year to have been satisfactory.

RESERVES POLICY

The board of trustees have established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets ('the free reserves') held by the charity should equate to approximately twelve months unrestricted expenditure. The board of trustees feel that they would be able to continue the current activities of the charity in the event of a significant drop in funding. It would obviously be necessary to consider how the funding would be replaced or activities changed. Unrestricted funds were maintained at this level throughout the year.

RESULTS

The results for the year, of the charity and of its wholly owned subsidiary, are shown in the attached financial statements.

THE TRUSTEES

The trustees who served the charity during the period were as follows :

Mr R. Downie FRCS (Chairman)
C. Brennand (Hon. Treasurer)
P.M. Farrell OBE
H. Harwood LL.B
Very Rev. Canon A. Hawley (Retired – 24 September 2002)
C.M. Hubbert MRCGP DRCOG (Vice Chairman)
W.J. Wood BSc MHSM Dip. HSM
Dr D. Meldrum
R. Brenner JP BA
Kenneth Hoskisson LL.B
Tony West FEAA

TRUSTEES' RESPONSIBILITIES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. The trustees 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.

RISK MANAGEMENT

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary steps can be taken to lessen these risks.

AUDITORS

Following the resignation of Bresnan Walsh as auditors the Board appointed Messrs Lonsdale & Marsh to fill the casual vacancy and a resolution proposing their re-appointment will be put to the Annual General Meeting.

Registered office:
Woodlands Hospice
University Hospital Aintree Campus
Longmoor Lane
Liverpool
L9 7AL

Signed by order of the trustees

Phillip Chalmers
Company Secretary

Approved by the trustees on : 29 August 2003

WOODLANDS HOSPICE CHARITABLE TRUST LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 MARCH 2003

We have audited the financial statements on pages 6 to 13 which have been prepared under the historical cost convention and the accounting policies set out on page 8.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE AUDITORS

The trustees' (who also act as Directors for the charitable activities of the company) responsibilities for preparing the Trustees Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Trustees' responsibilities on page 3.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

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 if, in our opinion, the Trustees Annual Report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charity is not disclosed.

We are not required to consider whether the statement in the Trustees Annual Report concerning the major risks to which the charity is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the charity's risk management and control procedures.

We read the Trustees Annual Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with Auditing Standards 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 in the preparation of the financial statements, and of 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 of the charity's state of affairs as at 31 March 2003 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Liverpool
September 2003

Lonsdale and Marsh
Chartered Accountants
& Registered Auditors

WOODLANDS HOSPICE CHARITABLE TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31 MARCH 2003

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2003 £	Total Funds 2002 £
INCOMING RESOURCES					
Non-monetary donations	2	-	-	-	7,426
Donations and legacies	3	247,017	-	247,017	201,152
Income from charitable trading activities:					
Grants receivable	4	192,309	75,600	267,909	203,890
Interest receivable	5	13,244	-	13,244	11,856
Other income		18,678	990	19,668	19,202
TOTAL INCOMING RESOURCES		471,248	76,590	547,838	443,526
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising and publicity	6	70,061	-	70,061	70,703
Charitable expenditure:					
Costs in furtherance of charitable objects	7	286,967	64,027	350,994	318,186
Management & administration	8	65,495	-	65,495	66,292
TOTAL RESOURCES EXPENDED	9	422,523	64,027	486,550	455,181
NET (OUTGOING)/INCOMING RESOURCES FOR THE YEAR	10	48,725	12,563	61,288	(11,655)
Balances brought forward		542,295	(221)	542,074	553,729
Balances carried forward		591,020	12,342	603,362	542,074

The charity has no recognised gains or losses other than the results for the year as set out above.
All of the activities of the charity are classed as continuing.

The notes on pages 8 to 14 form part of these financial statements

WOODLANDS HOSPICE CHARITABLE TRUST

BALANCE SHEET

YEAR ENDED 31 MARCH 2003

	Note	2003 £	2003 £	2002 £	2002 £
FIXED ASSETS					
Tangible assets	11		168,681		177,944
CURRENT ASSETS					
Debtors	12	45,539		74,746	
Investments	13	3		3	
Cash at bank & in hand		414,252		372,428	
		459,794		447,177	
CREDITORS : Amounts falling due within one year	14	(25,113)		(83,047)	
NET CURRENT ASSETS			434,681		364,130
TOTAL ASSETS LESS CURRENT LIABILITIES			603,362		542,074
FUNDS					
Unrestricted:					
Designated funds	15		117,000		118,318
Other charitable funds	15		474,020		423,977
Restricted	16		12,342		(221)
TOTAL FUNDS			603,362		542,074

These financial statements were approved by the members of the committee on 29th August 2003 and are signed on their behalf by :

R G Downie

MR R. DOWNIE FRCS (Chairman)
Director

The notes on pages 8 to 14 form part of these financial statements

1. ACCOUNTING POLICIES

Basis of accounting
The financial statements have been prepared under the historical cost convention, modified for the revaluation of leasehold interest, and in accordance with the Statement of Recommended Practice *'Accounting and Reporting by Charities' (SORP 2000).*

Depreciation
Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows :

Computer equipment	-	33% straight line
Fixtures and fittings	-	25% straight line
Leasehold buildings	-	4% straight line

Donations and grants
Income from donations (including legacies) and grants are recognisable in full in the Statement of Financial Activities in the year in which they are receivable.

Grants which are to be used for specific purposes, as laid down by the donor, are treated as *restricted funds. Expenditure that meets the criteria is charged to the fund.*

Interest receivable
Interest is included when receivable by the charity.

Resources expended
Resources expended are included in the Statement of Financial Activities on an accruals basis, inclusive of any VAT that is not recoverable.

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 out of unrestricted general funds for specific purposes.
- Restricted funds – these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when the funds are raised for a particular restricted purpose.

2. DONATIONS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2003 £	Total Funds 2002 £
Donations – non monetary	-	-	-	7,426
	-	-	-	7,426

3. LEGACIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2003 £	Total Funds 2002 £
Donations and legacies	247,017	-	247,017	201,152

4. GRANTS RECEIVABLE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2003 £	Total Funds 2002 £
Grants receivable – Primary Care Trusts	192,309	-	192,309	157,015
Grants receivable – New Opportunities Fund	-	75,600	75,600	46,875
	192,309	75,600	267,909	203,890

5. INTEREST RECEIVABLE

	2003 £	2002 £
Bank interest receivable	13,244	11,856

6. *FUNDRAISING AND PUBLICITY*

	Unrestricted Funds £	Restricted Funds £	Total Funds 2003 £	Total Funds 2002 £
Appeals costs	70,061	-	70,061	70,703

7. COSTS IN FURTHERANCE OF CHARITABLE OBJECTS

	Unrestricted Funds £	Restricted Funds £	Total Funds 2003 £	Total Funds 2002 £
Provision of charitable services:				
Clinical services and costs	186,415	-	186,415	163,972
Day centre costs	100,552	60,098	160,650	149,893
Staff training	-	3,930	3,930	4,321
	286,967	64,028	350,995	318,186

Analysis of provision of charitable services:

	Staff costs £	Other costs £	Total 2003 £	Total 2002 £
Clinical services and costs	186,415	-	186,415	163,972
Day centre costs	-	160,650	160,650	149,893
Staff training	-	3,930	3,930	4,321
	186,415	164,580	350,995	318,186

8. MANAGEMENT AND ADMINISTRATION

	Unrestricted Funds £	Restricted Funds £	Total Funds 2003 £	Total Funds 2002 £
Salaries	50,519	-	50,519	50,597
Office costs	9,263	-	9,263	11,600
Audit fees	1,498	-	1,498	995
Legal and professional	4,214	-	4,214	3,100
	65,494	-	65,494	66,292

9. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	Total Funds 2003 £	Total Funds 2002 £
Direct charitable expenditure	186,415	-	164,580	350,995	318,186
Fundraising & publicity	61,391	-	8,670	70,061	70,703
Management & Administration	50,519	9,263	5,712	65,494	66,292
	298,325	9,263	178,962	486,550	455,181

The aggregate payroll costs were:

	2003 £	2002 £
Wages and salaries	298,325	270,325
Social security costs	-	-
	298,325	270,325

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2003 No.	2002 No.
Number of charitable service staff	21	19
Number of administrative staff	2	2
Number of fundraising staff	3	4
	26	25

Other costs:

	2003 £	2002 £
Legal and Professional	5,712	4,095
Other	173,250	169,161
	178,962	173,256

No employee earned more than £50,000 per annum.

The trustees were not paid or reimbursed for expenses during the year.

10. MOVEMENT IN TOTAL FUNDS FOR THE YEAR

This is stated after charging:

	2003	2002
	£	£
Depreciation	9,263	11,600
Auditors' remuneration		
- as auditors	1,498	995

11. TANGIBLE FIXED ASSETS

	Computer Equipment	Fixtures & Fittings	Expenditure on lease	Total
	£	£	£	£
COST OR VALUATION				
At 1 April 2002 and 31 March 2003	17,937	66,260	231,576	315,773
Comprising :				
Cost	17,937	66,260	36,576	120,773
Valuation 1996	-	-	195,000	195,000
	17,937	66,260	231,576	315,773
DEPRECIATION				
At 1 April 2002	17,837	66,160	53,832	137,829
Charge for the year	-	-	9,263	9,263
At 31 March 2003	17,837	66,160	63,095	147,092
NET BOOK VALUE				
At 31 March 2003	100	100	168,481	168,681
At 31 March 2002	100	100	177,744	177,944

12. DEBTORS

	2003	2002
	£	£
Amounts owed by group undertakings	42,000	49,000
Income tax recoverable	-	-
Other debtors	1,364	24,356
Prepayments	2,175	1,390
	45,539	74,746

The loan to the subsidiary company is secured against the assets of that company, repayable over a period of ten years. Interest is to be charged at one half of one per cent below the base rate on the last day of the accounting year on the balance outstanding at that date.

13. INVESTMENTS

	2003	2002
	£	£
Shares in group undertakings	3	3

14. CREDITORS: Amounts falling due within one year

	2003	2002
	£	£
Bank loans and overdrafts	-	29,736
Other creditors	15,625	23,837
Accruals	9,488	29,474
	25,113	83,047

15. UNRESTRICTED FUNDS

	General fund	Designated fund	Total
	£	£	£
Balance at 1 April 2002	423,977	118,318	542,295
Movement in funds for the year	48,725	-	48,725
Transfer from designated funds	1,318	(1,318)	-
	474,020	117,000	591,020

The designated fund relates to the revaluation reserve.

16. RESTRICTED FUNDS

	Balance at 1 April 2002	Movement in resources: Incoming	Balance at 31 March 2003
	£	£	£
Restricted Fund	(220)	12,562	12,342

The restricted funds comprise of various funds provided to Woodlands Hospice Charitable Trust Limited for purposes specified by the donor.

17. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)

	Tangible fixed assets	Investments	Other net assets	Total
	£	£	£	£
Restricted Fund	-	-	12,342	12,342
Unrestricted Funds	168,681	3	422,336	591,020
	168,681	3	434,678	603,362

18. CONTINGENCIES

In the event of the company being wound up within 25 years of incorporation, the sale proceeds of the buildings and fixtures and fittings would become repayable to Cancer Relief Macmillan Fund. On the completion of 25 years, the hospice will revert to the Aintree NHS Trust, on whose land the hospice is constructed.

19. COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee whereby each member of the company undertakes to contribute such amount as may be required, not exceeding £1, to the company's assets if it should be wound up while being a member; or within one year after ceasing to become a member, for payment of the company's debts and liabilities contracted before ceasing to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves.

20. CONSOLIDATION OF ACCOUNTS OF TRADING SUBSIDIARY

It is not the Board's policy to consolidate the results and balance sheet of the trading subsidiary into these accounts, on the grounds of immateriality.

The wholly owned subsidiary, Woodlands Hospice Limited, which is incorporated in the United Kingdom, operates a charity shop and the Hospice lottery to help support its parent company. During the year the subsidiary transferred £36,250 (2002, £27,855) to its parent company under the terms of a profit shedding agreement. The charity owns the entire issued share capital of 3 Ordinary shares of £1 each. A summary of the trading results is shown below.

	2003	2002
Summary profit and loss account	£	£
Turnover	224,502	216,795
Cost of sales and administrative expenses	(227,911)	(218,017)
Interest receivable	1,505	2,006
Interest payable	(1,599)	(1,715)
(Deficit)/Profit on ordinary activities	(3,503)	(931)
The assets and liabilities of the subsidiary were:		
Fixed assets	869	2,423
Current assets	62,655	80,294
Creditors:		
Falling due within one year	(20,429)	(29,049)
Falling due in more than one year	(35,000)	(42,000)
Total net assets	8,095	11,668
Aggregate share capital and reserves	8,095	11,668

Other notes
The subsidiary company has a loan from the charity of £42,000 (2002, £49,000) which is the subject of a formal agreement repayable at the rate of £7,000 per annum and subject to interest at base rate less 0.5%.

21. RELATED PARTY TRANSACTIONS

During the year the company received accountancy services totalling £617 from Westmore Brennand where a trustee, Mr C. Brennand, is a partner.