

RENNIE GROVE HOSPICE CARE
TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018

Registered Company Number 7479930
Registered Charity Number: 1140386

**RENNIE GROVE HOSPICE CARE
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
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**RENNIE GROVE HOSPICE CARE
REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 MARCH 2018**

Charity Name	Rennie Grove Hospice Care	
Charity Number	1140386	
Company Number	7479930	
Registered Office	Grove House Waverley Road St Albans Hertfordshire, AL3 5QX	
Trustees	Prof S Spiro (Chairman) Mrs L King (Vice Chairman term ended 29/03/18) Dr S Cottam Mrs J Fryer (née Fowler term ended 29/03/18) Mr C Inman (appointed as Vice Chair 28 th September 2017) Mr C Langford (Treasurer) Mrs J MacLeod Dr L Baillie Mrs P Nightingale Mr J Wroe Mr E Pillinger Mr G Upward Mrs A Sheppard (nee Macleod-Smith term ended 29/03/18) Dr A Wainwright	
Company Secretary	Mrs J MacLeod	
CEO	Mr DS Marks	
Other Senior Mgmt	Ms R Ahmad Mrs D Gould Mrs P Pickersgill Mrs P Scott Mrs S Varvel	
Auditors	Haysmacintyre 10 Queen Street Place London, EC4R 1AG	
Bankers	Barclays Bank plc 22-24 Upper Marlborough Road, St Albans, Herts AL1 3AL	
Solicitors	Sherrards Solicitors 45 Grosvenor Road St Albans Herts, AL1 3AW	Matthew Waite & Co Ariel House Frogmore Street Tring, Herts, HP23 5AU

Our Year in Review

2017-18 proved to be another successful year for Rennie Grove Hospice Care. We raised our highest level of income ever, despite the challenges facing the income generation teams, which helped us to meet the ever increasing demand for our services.

The number of adults and children receiving excellent care from our 24/7 Hospice at Home service rose by 4%, and our Day services have also grown by 4% over the past year. We continue to care for those with life-limiting illnesses that are not related to cancer, and this comprises some 32% of our work.

The ageing population and better outlooks for those with cancer who live better and longer gives us a challenge. Also many of us develop increasingly complex non-malignant illnesses that need our Day services as well as Hospice at Home support. We hope to introduce a fifth Hospice at Home nursing team in South Bucks as we are under so much pressure of work.

We have restructured the skill mix in our Children's Hospice at Home service to include a healthcare assistant and a strong new clinical lead. For many years we have been very fortunate to have this part of our work funded by The Pepper Foundation, but they are no longer able to guarantee that they can raise sufficient funds and Rennie Grove has committed to fundraise to cover the shortfall. We are immensely grateful to Pepper for their ongoing support.

Our Retail operation continues to push on with energy and success, and during 2017-18 we opened three new shops London Colney, Maylands (Hemel Hempstead) and Berkhamsted, Our Fundraising income for the year was successfully achieved despite the difficult fundraising environment, thanks mainly to our strong base of supporters.

We said a fond farewell to Jenny Provin, our Chief Executive for the last five years. Jenny retired in March 2018 having had a remarkable impact on all that we do and on all those who work and volunteer within our charity. With infectious enthusiasm for the principles of our charity, Jenny led us to become a more professional organization, improving our governance, growing our income generation, reducing our costs and engaging effectively with our clinical partners. Jenny will be greatly missed and we wish her well in her retirement.

We are very pleased to have appointed Stewart Marks as our new Chief Executive. Stewart comes with a very strong background in hospice care, having worked for both Marie Curie and Sue Ryder, most recently as Hospice Director at The Duchess of Kent and Nettlebed Hospices. We wish him an enjoyable and successful time with Rennie Grove.

None of our achievements this year could have happened without the high quality of care from our nurses and clinicians and of course all the support staff in the teams behind the scenes. Together with our skilled senior management team and our committed trustees everyone has pulled together to ensure that Rennie Grove remains an effective and efficient organization.

**RENNIE GROVE HOSPICE CARE
CHAIRMAN'S REPORT
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I reserve the last word this year for our very special award-winning volunteers. Throughout the year we have celebrated the presentation of the Queen's Award for Voluntary Service to our team of 1,500 volunteers. This is the ultimate accolade for volunteer groups and to mark our incredible pride and gratitude to all our volunteers we have held a number of different events during the year at which we presented them with Queen's Award badges. Congratulations and thanks to them all.

Professor Stephen Spiro

Chairman

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The Board of Trustees presents its report and accounts for the year ended 31 March 2018 which comply with the requirements of *the Companies Act 2006*, the Charities Statement of Recommended Practice (SORP) and *the Charities Act 2011*.

The Trustees' Report incorporates the requirements of the Strategic Report, as required by *the Companies Act 2006* (Strategic Report and Directors' Report) Regulations 2013.

VISION

Our vision is that every adult and child with a life-limiting illness can choose how they want to be cared for, knowing they will receive exceptional specialist palliative care.

MISSION

Our mission is to provide our community with excellent specialist palliative and end of life care based around patients and their families day and night.

OBJECTIVES AND ACTIVITIES

Charitable Objects

Rennie Grove Hospice Care provides care and support for adults, children and their families affected by cancer and other life-limiting illnesses from diagnosis whether on a known curative pathway or not. Our offer is focused on interventions of care from self-management through to specialist palliative and end of life care. This can be accessed through day services at Grove House and our 24-hour Hospice at Home Service.

In line with the UK's independent hospice movement, Rennie Grove's services are provided at no cost to patients or their families. Nurses and clinicians provide specialist care as well as practical, hands-on nursing care for patients of any age, both adults and children, with a range of terminal and life-threatening illnesses. The Hospice at Home Service operates on a 24-hour, planned and responsive on-call basis, providing patient visits as well as advice over the telephone out of hours. All services reflect a commitment to offering patients choice about where they are cared for and where they wish to die.

Charitable Purpose

Rennie Grove's charitable purposes are set out in the objects contained in the company's Memorandum of Association. In Section 4, the objects are defined as 'the relief of sickness' and this is further defined in relation to the charitable purposes through a series of more detailed objects. The objects all support the Charity's purpose which is the provision of a specialist palliative nursing care service to patients with life-limiting illness.

Public Benefit

Rennie Grove Hospice Care is a Public Benefit Entity. The Trustees confirm that they have complied with their duty under section 17 of the Charities Act 2011. They have considered the public benefit guidance published by the Charity Commission and believe that they have followed it. This report provides details of the areas of charitable activity undertaken by Rennie Grove Hospice Care

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The focus of our work is to ensure that patients living in North West Hertfordshire and the Chilterns area of Buckinghamshire with a palliative diagnosis have the choice about how and where they want to be cared for towards the end of life. To achieve this we offer:

- Hospice at Home Services for both adults and children every day of the year both day and night
- Day Hospice, nursing and medical assessment and supportive clinics, outpatient services in St Albans, physiotherapy, occupational therapy, complementary therapy and volunteer visiting support
- Family and Bereavement Support Service for children and adults
- Education and Development for our staff to ensure high standards of care and for other organisations to support their knowledge and understanding of palliative care.

All our services are provided at no cost to members of the community who meet our referral criteria:

- That they have been diagnosed with a life-limiting illness
- They are registered with General Practitioner in our catchment area.
- They have been referred by either a GP or Health Care professional
- Self-referrals are accepted providing patients are living within the catchment area of GP services operating in the Chilterns area of Buckinghamshire or the Dacorum, St Albans and Harpenden districts of Hertfordshire.

Hospice at Home Adult Nursing Service

The Rennie Grove Hospice at Home adult nursing service provides a 24hr responsive nurse led service to patients living in the mid and South areas of Buckinghamshire and North West Hertfordshire. The day teams are locality based with two teams in Hertfordshire and three in Buckinghamshire and an overnight team provides cover across the entire area. The service employs 70 skilled nurses, 8 health care assistants and support staff with a range of skills. The teams are led by Clinical Nurse Specialists who manage caseloads of patients referred from groups of GP practices. They manage symptoms for patients and support for families and carers with teams of trained and experienced community nurses and health care assistants enabling patients to remain at home by providing practical, personal and supportive care. Rennie Grove nurses and clinicians work collaboratively with GPs, District Nurses and a range of other hospice and NHS providers including medical support received from Palliative Care Consultants in Buckinghamshire and Hertfordshire.

Evaluation of responses to patient and carer satisfaction surveys demonstrates that patients and their families place a high value on 24-hour responsive on-call services and evidence from clinical audit suggests that this also enables more patients to remain at home and avoid unnecessary admission to hospital. Rennie Grove undertook a research project in collaboration with the University of Northampton to evaluate the impact of the overnight element of the service to evidence the true value of a full 24hr service. This highlighted the fact that the service effectively supports patients and families at night, prevents unnecessary hospital admissions and is a cost effective service.

The community service at Rennie Grove provides services in line with the aim of the *End of Life Care Strategy (2008)* to provide services people need to enable them to be cared for at home and to die there if that is their choice. This is reflected in our Vision. It also accords with the recent

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Department of Health Publication, *'Our commitment to you for end of life care: the Government Response to the Review of Choice in End of Life Care (2016)'*. Over 65% of patients who express a wish to die at home achieve this within the care of Rennie Grove based on the national average of 22%.

Rennie Grove Children's Nursing Service

The children's hospice at home nursing team provides palliative and end of life care and respite for children and young people up to the age of 19 with life-limiting and life-threatening illnesses. Many of these young patients have complex conditions other than cancer which require nurses to have excellent and wide ranging clinical skills and expertise. The children's nursing team continues to care for increasing numbers of children at the end of their lives and this remains an important part of our work.

The respite element of the service provides parents, siblings and carers with essential breaks from unrelenting caring and the 24-hour element ensures the availability of nurses for home visits during crises if necessary. All elements and the associated advice and support are valued highly by families.

Improving the integration of services for children in our area and the transition of young people into adult services remain challenging, in part due to the different nature of services available. There are ongoing strategic plans to develop and provide services for young people in transition to meet some of the known challenges faced during this phase.

The Pepper Foundation continues to provide some of the funding for the Children's Nursing Team together with that from NHS England. The Pepper Foundation has supported the development of the Children's service over many years and Rennie Grove will now work alongside the Foundation to raise the increased funds required to continue to develop the service into the future. Rennie Grove is deeply grateful for this long term and committed support.

Grove House Services

Rennie Grove Hospice Care at Grove House provides care and support for patients and families affected by cancer and other life-limiting illnesses from diagnosis whether on a known curative pathway or not. Focused interventions of care to support self-management and wellbeing through to specialist palliative and end of life care are offered and can be accessed through day services at Grove House and the 24-hour Hospice at Home Service.

Patients attending Grove House Day Hospice can access a specialist palliative care doctor, nurses, occupational therapists, complementary therapists and a physiotherapist. The team offers patients with advancing illness symptom control and coping strategies, enabling them to live independently at home for longer.

Some patients are supported on an outpatient basis at Grove House, where a range of care is available for those not wishing to attend for a full day, and to provide the assessment of patients accessing Hospice at Home Services who are well enough to attend. This may include specialist advice and support clinics, classes such as acupuncture, t'ai chi and yoga or our drop-in session for patients, carers and professionals. An 'Inspire' group has also been developed to help patients with long term breathing difficulties.

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Rennie Grove has also worked in collaboration with external services to provide a range of support to patients and carers, including a Caring with Confidence course and a monthly Breast Care Advisory Group, plus aiding patients in the hospital clinics by selecting, training and assisting a group of volunteers.

Alongside the care at Grove House and the Hospice at Home Service, other clinicians and a team of trained volunteers offer valuable support for patients and families at home.

Family and Bereavement Support

The Family Support Team provides a range of services for patients, families and carers. These include one-to-one work by qualified counsellors and Rennie Grove trained listeners, group work for carers and for the bereaved, and telephone support (from counsellors or listeners). Family Support work with families during illness and into Bereavement as well as running the Rennie Grove Hospice Care Thanksgiving and Remembrance Services. During the last financial year, Family Support continue to develop the Complementary Therapy teams from Herts and Bucks which has created a more streamlined therapeutic service for the organisation.

A new pilot project called Supporting Hands offering support at home provided by trained volunteers was implemented in Buckinghamshire in October 2017 with the aim of spreading the model across both Hertfordshire and Buckinghamshire later in 2018. The service offers practical support to families during illness for example sitting with patients, light housework, befriender and support services.

The Team works alongside all the nursing and clinical teams, offering support for families facing the loss of a loved one and enabling care to be extended into the post-bereavement period. Nearly half of these families take up the offer whilst the national average for hospice carers is just one in four.

Patient Information

Patients and families can access information and guidance through the nurses and clinical teams, family support and services at Grove House in St Albans. This specially tailored information compliments and reinforces knowledge about the illness and the range of care and support available.

Professional Development

Excellent development training and support is vital to the professionalism of the nursing and clinical teams so that they can develop competencies as health care professionals. New nurses and clinicians joining the service receive excellent induction, mentorship and training as well as regular professional updates throughout their career with Rennie Grove. Nurses are offered support through the revalidation process which is required to demonstrate continuous learning and development and to maintain registration.

The team worked in partnership in both Bucks and Herts to deliver training to generalist practitioners to support the development of palliative care expertise.

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ACHIEVEMENTS AND PERFORMANCE in 2017-18

Goal 1: To ensure that every adult and child receives exceptional specialist palliative and end of life care and support in our local community

Objective: Providing excellent multidisciplinary palliative care for patients and families through the provision of Hospice at Home and Day Hospice Services:

Achievements

- Reorganised the Herts Hospice at Home team to ensure the management of all referrals for 24/7 specialist palliative care following remodelling of the statutory services and provision in Hertfordshire.
- Reallocated GP practices within the Buckinghamshire teams to ensure better distribution of referrals and to manage these more effectively with other providers. Quiet caseload developed and working collaboratively with Florence Nightingale Hospice to undertake triaging South Bucks referrals.
- Supporting helping hands pilot going exceptionally well with volunteers recruited and trained and clinical governance committee monitoring pilot.

Objective: To collaborate with all partners to ensure patients in the community receive the highest quality of care and support:

Achievements

- Participated in regular meetings with hospice colleagues and other providers of end of life care
- Implemented the coordination hub in Herts with hospice and statutory partners to streamline end of life care referrals from different parts of the health service
- Managed all palliative care patients in the St Albans and Harpenden following the relocation of statutory services out of the area.
- Secured access to the NHS 'Summary Care Record' in Bucks to enable shared information for patients at the end of life across professionals involved in their care.
- Secured access to the EPaCCS record in Herts to share information as in Bucks.

Objective: To develop a skilled workforce able to meet the challenges of the future

Achievements

- Introduced individual training records for all staff.
- Monitored the ongoing mandatory management training programme
- Augmented and improved staff and volunteer induction
- Implement step one and two of the Outcome Assessment and Complexity Collaborative (OACC) suite of measures to standardise and improve the holistic assessment of patients
- Developed a competency framework and training programme for the preceptorship of newly qualified nurses to support the development of nurses and workforce.
- Facilitated the training of two members of the professional development team to gain teaching qualifications to enhance our internal training capability and create external training opportunities.

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Objective: To achieve an excellent profile for innovative models of care and influencing the national health policy agenda:

Achievements

- Represented on NAHH safeguarding steering group
- Chair the Bucks Provider Board
- Member of the Children's Palliative Care Network.
- Member of the ECLiHP

Objective: To adapt working practice to a continuous changing environment through research and innovation :

Achievements

- Worked with the University of Northamptonshire to evaluate the impact of the night service on preventing hospital admission
- Four abstracts submitted to the Palliative Care Congress to promote results and four posters created for display. A paper for publication will follow .

Goal 2: To cultivate first-class sustainable organisation to support the care of our patients

Objective: To raise sufficient income to support the long term sustainability of Rennie Grove:

Achievements

- Monitored income generation areas through KPI'S and ROI including undertaking a review of fundraising to ensure long term financial sustainability.
- Continued to engage with all the CCG providers to ensure Rennie Grove Hospice Care is kept informed of future funding developments including monitoring the changes within the Children's funding.
- Work in collaboration with the other local hospices where possible to secure any potential opportunities for funding.

Objective: To be an employer of choice and the place where people want to volunteer within the charity sector:

Achievements

- Developed a draft organisational development framework
- Implemented the Pensions Auto Enrolment scheme
- Recruited into the Preceptorship programme with the appointment of 3 preceptorship nurses who will join the charity in 2018 to help meet the challenge of nurse recruitment
- Supporting Hands Volunteers, who provide practical and emotional support, have been recruited, trained and placed with clients across our Bucks Hospice at Home nursing teams.

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Objective: To engage the wider community effectively

- Raise awareness of Rennie Grove by evaluating and extending the scope of the new digital marketing channels
- Developed a digital marketing strategy.
- Introduce In Store Music in the 27 charity shops

Achievements

Objective: To be an efficient and effective organisation:

Achievements

- Reviewed the accounting processes and improvements made have saved resources and time
- Completed the Implementation of Cascade HR Database and roll out of self- service to all staff to achieve efficiencies and comply with audit requirements
- Completed the consolidation of all the communications contracts into a single strategic provider achieving significant cost savings.
- Replaced the four separate phone systems at the main offices with a single unified solution providing equity across the sites and eliminating costs of inter-office calls.
- Introduced a full photographic schedule for all new shop leases to assess and reduce property disputes over dilapidations cost
- Focused on return on investment in fundraising activities
- Implement the transition plan to ensure the balance of focus of the communications function reflects organisational priorities
- Introduction of a Retail handbook
- VAT registration - the charity became VAT registered in 2017/18, which resulted in significant savings.

Clinical Performance and CQC rating

We are regulated and inspected by the Care Quality Commission and are delighted to be rated as good in all five areas of assessment.

Clinical performance is measured against a known set of performance indicators and is monitored by the Clinical Governance Committee who report to the Board of Trustees. Key performance measures are determined internally and are stretching. In 2017-18:

- Percentage of patients achieving preferred place of death where the preferred place of death is identified and achieved on death event. Target set at 85% and 79% achieved.
- Percentage of patients achieving preferred place of death when preferred place identified as home. Target set 90% and 82.9% achieved.
- Percentage of patients who died at home against all deaths occurring in the service. Target set at 70% and 65.7% achieved.
- Percentage of patients cared for with a non-cancer diagnosis. Target set at 30% and 32.4% achieved. The targets set are to reviewed against national standards to ensure they are appropriate to practice and expectation.

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FINANCIAL REVIEW

The plan for 17/18 was to achieve a breakeven budget which included challenging targets for our income generation areas of Fundraising and Retail and whilst the fundraising environment remains challenging for all charities our 27 Retail shops have had a very positive year. We succeeded in achieving an overall organisational income of £8.1m and this has only be made possible by the generosity, commitment, passion and enthusiasm of all those who support us .

The charity is delighted to be able to report a surplus for the fifth consecutive year of £315k

- The generosity of our supporters enabled the fundraising team to successfully raise income of £2.4 m (excluding legacies) which was 1.6% higher than last year. This coupled with a 2% growth in net contribution on the previous year further highlighted the challenges facing the fundraising team for the upcoming financial year.
- Retail and Trading generated £2.9m of income which is an increase of 13% on last year's income from 27 shops (24 last year)
- The 27 shops under careful management from the Retail team produced a net contribution of £836k -(29% profit)
- In May 2017 Rennie Grove received a donation from the Nursing Cottage Fund consisting of Treasury Stock and Cash totalling £241k. This donation is restricted to clinical care expenditure in the Great Missenden and Prestwood Area.
- It was a very good year for legacies totalling £765k (income plus notifications) which exceeding budget expectations.
- In all areas the Charity continues to keep a tight control on expenditure with regular reviews and close monitoring of performance management including return on investment, key performance indicators and benchmarking.

Reserves Policy

Rennie Grove has a reserves policy which states that the charity will maintain unrestricted general reserves within the range of three to six months of average actual expenditure. The board has agreed that unless there is a clear strategic need to hold greater reserves in order to support future planned capital or revenue plans the policy shall apply. Conversely, cash reserves should not fall below three months of predicted expenditure.

The general reserve at 31 March 2018 was £4.1m which represents approximately six months of unrestricted expenditure.

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Designated Funds

Equipment	£327k -represents netbook value of fixed assets other than property
IT Project	£19k - represents the investment in smart tills (EPOS) and is being depreciated over a four year period

Restricted Funds

Property Fund	£1.667k - net book value of the Gillian King House and the Grove House building
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Nursing Cottage Fund (NCT) Restricted fund covering caring for patients in Great Missenden and Prestwood.

Other Restricted Funds £125k Other restricted funds are those given for specific projects or expenditure. Full details of other restricted funds in note 18.

Investment Policy

Under the Memorandum and Articles of Association, the charitable company has the power to make any investment which the Rennie Grove Board of Trustees sees fit. Within the year the Finance committee reviewed the investments strategy alongside a review of providers to ensure the charity was receiving maximum returns and the board agreed that the portfolio would continue to be managed by Barclays Wealth. The Trustees follow a medium risk strategy and ensure social, environmental and ethical considerations are taken into account with a strict view on no investment in tobacco related companies. Risk considerations are liquidity risk, reputational risk and credit risk.

Clinical Commissioning Group (CCG) Income

The CCGs continue with grant funding (rather than any form of tariff-based approach) in both the Chilterns area of Bucks and in West Herts to support the care that Rennie Grove provides to patients.

In the Chilterns CCG area the contract issued was only 12 months and had no inflation rise or cost of living rises applied so is in fact a decrease in contribution .

Both Herts CCG & Department of Health Children's Grant have issued 2 year contracts however a cost of living rise and continuation of performance CQUINs monies only applies within Herts

The overall contribution from the CCG's and Department of Health is 13.7% this is down from 15% last year.

The Herts CCG have announced their intention to cut funding by 15% in 18/19 which will impact the Charity by £80k per annum

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Fundraising and Communications

The continuing and overwhelming support of the community resulted in Rennie Grove achieving a very impressive £2.4m income from fundraising activities (excluding legacies). Income from gifts in wills was £765k and the charity agreed to invest in promoting this channel of giving in the years ahead. Our event fundraising activity has declined during the year bringing us a new challenge to develop supporter led activity to assist us in reaching our fundraising ambitions.

The fundraising team adopt a supporter-led approach to fundraising and seek where possible to build sound long-term relationships with supporters.

We have developed a strategy to fundraise for our children's hospice at home service which will provide us with a platform from which to promote this activity and in turn secure the funds required to deliver it.

Recruitment of a new fundraising director and a reorganisation of the fundraising team has been undertaken to enable the team to focus on developing supporters and ensuring long term financial sustainability by ensuring fundraising activities have the greatest impact on funds generated.

We are still in our infancy with embracing digital and our communications team have been working hard to develop this method of communicating with various audiences and are keen to expand and develop in this area

The Charity is a fully committed members of the Fundraising Regulator. In 2018-19 the organisation received 5 complaints. These were followed up and recorded in accordance with the complaints procedure, and were resolved with the complainant.

The Hospice Lottery Partnership continued to provide much valued income through the Hospice Lottery and the hospice received £359k in the year.

Retail and Trading

The Retail and Trading shops made a significant contribution to the income of the organisation and provided an important community presence across our area of operation. Income for the year totalled £2.9m demonstrating how Retail and Trading continues to flourish. Income raised from the sale of donated goods through the shops, recycling and eBay, together with the sale of a small quantity of new goods. Total income is further supplemented by Gift Aid reclaimable on the sale of a proportion of our donated goods which amounts to approximately 30% of goods sold. In 2017-18 work continued on improving conditions and the shopping experience in our shops, introducing new internal and external branding and investing in health and safety. Three new shops were open: Berkhamsted, The Maylands in Hemel Hempstead and London Colney.

We are proud of our Retail and Trading team and our ability to promote from within, volunteers to assistant manager, assistant managers to shop managers and shop managers to district support managers. The importance of the untiring support of 750-plus Retail and Trading volunteers cannot be overstated together with strong and committed management that provides the major contribution to the ongoing overall success of the business.

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Facilities

An expert volunteer has drafted an estates strategy looking at patient demographics alongside location of office buildings and taking into account advances in technology and remote working which will be presented at our next trustee away day. A detailed estates maintenance programme to ensure all buildings remain fit for purpose has been drafted to ensure budgets are allocated for refurbishment, upgrading and to maintain high health and safety standards

Rennie Grove has been working alongside the charity, CRASH, to look at the both the refurbishment of the rear car park and the redevelopment of the Grove House Building.

In January 2018 the charity with the support of Crash patrons undertook a refurbishment of the rear car park at St Albans. In addition to the support of the Crash patrons with some of the works being provided pro bono, Crash themselves very generously awarded the charity a grant of £40k towards the overall costs.

Negotiations with the hospital trust continue over car parking spaces at the front of the building which the charity have accessed over the past 20 years and if this provision of parking is withdrawn will put pressure on the parking facilities at Grove House.

Health and Safety continues to be a key area of focus ensuring that the Charity has robust systems and procedures and significant progress has been made in the past year with a recent audit resulting in a 92% scoring (85% in 16/17)

Information Technology and Communication

The Applications Support team successfully supported the core business applications with continuing development of the primary clinical database and improved activity reporting to meet the needs of Nursing and Clinical Services. Following the introduction of an Human Resources application in 2016-7, during 2017-8 it has been expanded to all staff, giving them the ability to update and maintain their own details.

Following the competitive tendering exercise during 2016-7 the plan to consolidate the various contracts for Communications has been completed during 2017-8. Communications lines into the four main offices have been migrated to a strategic supplier and a new telephone system spanning all the main offices implemented. This significant set of changes was possible as the result of a very generous legacy. Capital investment has reduced our operating costs (even though the changes tripled the capacity of the link between the main offices), simplified our support arrangements and improved the ability to recover in the event of a major disaster. The new architecture is compliant with the requirements to access the Health and Social Care Network. The overall goal is to enable nursing and clinical teams to view key NHS systems to verify patient details and view activity recorded by other healthcare professionals.

Across all departments the staff have been working hard to ensure that the organisation will be ready and prepared for GDPR compliance coming into effect in May 2018.

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FUTURE PLANS AND STRATEGY

The annual Trustee away day included a review of progress against the key priorities within the three year 2016-9 strategy and goals, objectives and values were revised. Key priorities for the period were agreed as follows:

Priorities 2016-2019

The charity recognised that there are many challenges ahead, capacity planning, activity, funding and critical resources will all need to rise by 10-20% over the period. The following priorities have emerged as essential to our success:

- Ensuring that there is the clinical capacity to meet increasing patient referrals into all our service areas whilst maintaining the excellent quality of our nursing and clinical care
- Overcoming shortages of both manpower and skills, and developing special initiatives for recruitment and retention of clinical staff
- Collaborating effectively with other community services and continuing to develop improvements in our IT and analytics capabilities in order to address capacity issues
- Addressing the challenges of an aging professional and clinical workforce by careful succession planning, and by providing increased support to our line managers as they seek to meet the needs of each new generation of our valued volunteers
- Increasing the net contribution from both fundraising and marketing activities and from Retail and Trading. This will be supported by a strong focus on increasing brand profile and by an ever-widening network of relationships. Rennie Grove requires £8 million in funding each year simply to maintain our current level of service. Improving utilisation of our multi-site facilities supported by a clear long-range maintenance and development plan, including coordinated health and safety and procurement to maximise the value of every penny we spend.

Plans are already in development to determine Rennie Grove's strategy objectives for 2019 onwards

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STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure

Rennie Grove Hospice Care is a company limited by guarantee under the Companies Act 2006, number 7479930, and a registered charity, number 1140386. The charitable company is governed by Memorandum and Articles of Association.

Members, Appointment and Members' Liability:

The members of the charitable company, including the members of the Rennie Grove Board of Trustees, are liable for up to £1 each on the winding up of the company whilst they are members or within one year of someone ceasing to be a member. At 31st March 2018 there were 122 members including the Rennie Grove Board of Trustees.

Rennie Grove Hospice Care is registered with the Care Quality Commission, which monitors and inspects the charity as an independent health care provider. The Registered Manager is Ms Sue Varvel, the Director of Nursing and Clinical Services.

Corporate Governance

Rennie Grove is governed by a Board of Trustees which collectively sets its strategic direction, upholds its values and ensures delivery of its strategic objectives. The Board of Trustees is collectively responsible and accountable for ensuring and monitoring that the organisation is performing well, is solvent, and complies with all its obligations.

There are three formal Committees:

- The Board of Trustees
- The Clinical Governance Committee
- The Finance, Risk and Operations Committee

The committees meet six times a year with the Chief Executive, Director of Nursing and Director of Finance present. Senior members of the management team are invited to attend as appropriate. The Board agrees the terms of reference for the Clinical and Finance, Risk and Operations Committee which have clear, delegated authorities. The Board monitors performance through reports received at Board Meetings and an annual report.

Management

The Board of Trustees is responsible for setting the overall strategy for Rennie Grove and for ensuring financial sustainability. It delegates operational responsibility to the Chief Executive and Senior Management Team. The Chief Executive has line management responsibility for the senior team comprising the Directors of Nursing and Clinical Services, Fundraising, Finance and Facilities, Retail and Trading, Human Resources and Volunteering and the Information, Communications and Technology Lead. Members of the Senior Management Team represent the organisation on significant local, regional and national organisations, committees and bodies.

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The Board of Trustees agrees the strategy for the Charity and the SMT are accountable for delivering this. Trustees take the decision on unbudgeted expenditure over £25k or when significant investment opportunities or challenges are indicated. Delegated authority for the operational running of the charity is given through the CEO.

Relationships with Wider Interests and Related Parties

Rennie Grove is a member of Hospice UK, the National Council for Palliative Care, the National Association for Hospice at Home and Together for Short Lives. Individual members of the Senior Management Team and other members of staff are members of various professional representative bodies.

Group Structure

Rennie Grove has three subsidiary companies: Iain Rennie Hospice at Home (IRHH), St Albans and Dacorum Day Hospice (GH), and Iain Rennie Hospice Services Limited (IRHS). The financial results of all three subsidiaries are consolidated into the financial statements of Rennie Grove. IRHH and GH have a combined 33% shareholding in The Hospice Lottery Partnership Limited, a company which operates a lottery to raise funds for this and the other partners (unconnected hospice charities).

Risk Management

The Board of Trustees has responsibility for overseeing risk management within Rennie Grove. They have a fundamental role in ensuring that a culture of risk management is embedded throughout the charity by setting the tone and influence the appetite for risk management within Rennie Grove and ensuring that all risks are assessed against the ability to achieve its mission.

The Finance, Risk and Operations and Clinical Governance Committees support and advise the Board on risk matters and the Senior Management Team implement policies approved by them

The governance committees designate owners, who are responsible for managing the risks allocated to them under their guidance. Risks are identified and controls and mitigating actions closely monitored on a regular basis. The following risks were assessed against a matrix for impact and likelihood and were the highest risks under regular review in the last quarter of 2017-8.

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Key Risks	Controls
Financial	
Availability of suitable new shops to fulfil the budget	<ul style="list-style-type: none"> • Use R&T template to assess suitability of shop. • Assess Profitability
Failure to maintain NHS income	<ul style="list-style-type: none"> • Maintain good relationships with the CCG in order to respond to any opportunities or threats to funding through regular meetings • Engage with other local hospices and MP'S to collectively lobby proposed cuts Submit latest statistics explaining the impact of funding cuts to service provision
Failure to recruit and retain fundraising staff impacting the Fundraising income	<ul style="list-style-type: none"> • A review of fundraising was carried out and the recommendation to restructure the team is being implemented in the first quarter of 18/19
Clinical	
Increasing workload results in an impact on the quality of care and on clinical staff health and wellbeing resulting in poor patient care and higher number of complaints.	<ul style="list-style-type: none"> • Monitor caseloads and referrals • Monitor recruitment • Identify capacity for hospice at home teams • Monitor number of untreated referrals • Monitor complaints
Operational	
Failure to secure the IT network leads to significant cyber-attack or a data breach damaging the reputation and/or incurring significant downtime and/or a Data Protection fine	<ul style="list-style-type: none"> • Compliance with the IG framework • Use of an IT support Supplier with IS27001 and ISOC certification • Key ICT Policies in place • Risk Reports reviewed regularly • Encrypted patient data • Training
Insufficiently resourced (budget and staff) to deliver the strategic plan	<ul style="list-style-type: none"> • Monthly monitoring by SMT • Support through Cranfield Mentor and Business Effectiveness
Disaster Recovery IT arrangements leave the organisation without access to the Nursing Database or core IT functions jeopardising patient care and/or causing significant negative financial impact.	<ul style="list-style-type: none"> • Business continuity plan • Impact of loss of single site quantified • Disaster Recovery and Business Continuity testing (both desktop exercises and separate physical interruption to ICT services)

**RENNIE GROVE HOSPICE CARE
TRUSTEES REPORT AND FINANCIAL STATEMENTS
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Information Governance

For the past three years Rennie Grove has made continual improvements and is compliant with the NHS Information Governance Framework. An Information governance Committee comprising of the Senior Management Team meets quarterly to ensure compliance and improvement in all areas of Information Governance. The Board of Trustees has a standing item in the area and receives regular reports.

Audit and Inspection

Rennie Grove is registered with the Care Quality Commission (CQC) and our Clinical Audit Team has continued to develop our clinical audit programme and has worked with other hospices to develop joint standards and audits with a view to standardising practice and the way in which we monitor our performance. The CQC audit practice and their assessment is published as required on the Charities website. Non clinical areas including Health and Safety are audited by external consultants or volunteers.

Staff and Volunteers

Rennie Grove is fortunate to have a passionate and committed group of staff and volunteers bringing a range of skills and experience to the Charity. The organisation is committed to supporting and offering ongoing professional development and training opportunities to its workforce. A comprehensive analysis of training needs for all volunteer roles has been completed and a programme of rolling out training is planned.

Rennie Grove aims to be an open and transparent organisation and actively seek the opinions of its users on a regular basis.

Our team of approximately 1,500 volunteers are spread across the charity, in over 80 individual volunteer roles, as follows:

- 61% in Retail and Trading, including all shops and volunteers aged 14 - 18
- 17% in Clinical teams
- 13% in Fundraising, including event volunteers
- 9% in Reception and admin functions

In 2017 our volunteers were awarded the Queens Award for Voluntary Service, the highest accolade for community volunteering, and the equivalent of an MBE. This is an external validation of the enormous value that our volunteers bring to the charity, not only in terms of the resource that they provide, but also the community engagement and compassion that they bring.

Examples of volunteer contribution include:

- 91 Family support volunteers offer a range of services designed to help patients, carers, family members, children or close friends to cope with a diagnosis of life-limiting illness
- This includes 16 Supporting Hands volunteers - a new role introduced in 2017 to help reduce social isolation and provide support, companionship and respite care to patients and their carers, in their homes and on trips out.
- 31 volunteer drivers transport patients and carers to Day Hospice services at Grove House, including the use of the Grove House minibus

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- 103 volunteers support our Retail and Trading function across a variety of roles.

Pay and Remuneration

Rennie Grove undertakes annual benchmarking with local and regional hospices and takes part in the Croner Hospice Rewards Salary Survey. The HR Committee reviews increases for pay and benefits of senior staff during the budgeting process. Two Trustees represent the Board on this committee.

**RENNIE GROVE HOSPICE CARE
TRUSTEES REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also directors of Rennie Grove Hospice Care for the purposes of company law) are responsible 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).

Company law requires the Board of Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing the financial statements, the Board of Trustees is required to:-

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Board of Trustees is responsible for keeping proper accounting records, which disclose, with reasonable accuracy at any time, the financial position of the charitable company and enable it to ensure that the financial statements comply with the *Companies Act 2006*. It is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Board of Trustees is aware:

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

AUDITORS

haysmacintyre have been appointed by the Trustees as auditors. and have signified their willingness to continue in office. A resolution proposing their reappointment will be put to the forthcoming Annual General Meeting.

In approving this Trustees' Report, the Trustees are also approving the Strategic Report of the Charity in their capacity as company directors. This report was approved by the Trustees on 28 July 2017 and signed on behalf of the board by:

Stephen Spiro

Chairman

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBER OF RENNIE GROVE HOSPICE CARE

Opinion

We have audited the financial statements of Rennie Grove Hospice Care for the year ended 31 March 2018 which comprise Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2018 and of the group's and parent charitable company's net movement in funds, including the income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of trustees for the financial statements

As explained more fully in the trustees' responsibilities statement set out on page 21, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBER OF RENNIE GROVE HOSPICE CARE

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Trustees' Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Annual Report (which incorporates the strategic report and the directors' report prepared for the purposes of company law) for the financial year for which the financial statements are prepared is consistent with the financial statements; a
- Included within the Trustees' Annual Report (which incorporates the strategic report and the directors' report) have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES AND MEMBER OF RENNIE GROVE HOSPICE CARE

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report (which incorporates the strategic report and the directors' report).

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

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

Use of report

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

Anna Bennett (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditors
Date: 26 July 2018

10 Queen Street Place
London
EC4R 1AG

RENNIE GROVE HOSPICE CARE
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(incorporating the Income and Expenditure Account)
FOR THE YEAR ENDED 31 MARCH 2018

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2018 £	Total 2017 £
INCOME FROM:					
Donations and legacies	2	2,198,520	465,983	2,664,503	2,445,638
Charitable activities	3				
NHS funding		962,488	-	962,488	1,013,451
Other income from charitable activities		-	427,351	427,351	440,591
Other trading activities	2				
Events & community		783,236	11,774	795,010	798,804
Retail income		2,899,886	-	2,899,886	2,627,323
Rental income		-	-	-	70,875
Investments		15,267	9,308	24,575	15,367
Other	4	374,433	4,476	378,909	411,258
Total income		<u>7,233,830</u>	<u>918,892</u>	<u>8,152,722</u>	<u>7,823,307</u>
EXPENDITURE ON:					
Raising funds	5				
Donations and legacies		991,074	-	991,074	928,223
Fundraising activities		2,685,577	-	2,685,577	2,426,237
Charitable activities	5				
Patient care		3,527,522	729,668	4,257,190	4,295,591
Total expenditure	5	<u>7,204,173</u>	<u>729,668</u>	<u>7,933,841</u>	<u>7,650,051</u>
Net gains/(losses) on investments		22,802	73,658	96,460	286,753
Net income/(expenditure)	7	<u>52,459</u>	<u>262,882</u>	<u>315,341</u>	<u>460,009</u>
Transfers between funds		151,224	(151,224)	-	-
Other recognised gains/(losses)		-	-	-	-
Net movement in funds		<u>203,683</u>	<u>111,658</u>	<u>315,341</u>	<u>460,009</u>
Funds brought forward		4,241,235	1,951,837	6,193,072	5,733,063
Funds at 31 March 2018		<u>4,444,918</u>	<u>2,063,495</u>	<u>6,508,413</u>	<u>6,193,072</u>

The notes on pages 28 - 46 form part of these financial statements
The statement of financial activities includes all gains and losses recognised in the year.
All amounts derive from continuing activities.
Full comparative figures for the year ended 31 March 2017 are shown in note 25.

**RENNIE GROVE HOSPICE CARE
CONSOLIDATED AND CHARITY BALANCE SHEETS
AS AT 31 MARCH 2018**

Company number 7479930

		Group		Charity	
	Notes	2018 £	2017 £	2018 £	2017 £
FIXED ASSETS					
Intangible fixed assets	11	400,000	500,000	400,000	500,000
Tangible fixed assets	12	1,991,753	1,995,136	1,431,268	302,807
Investments	13	2,308,725	942,409	2,049,920	683,604
		<u>4,700,478</u>	<u>3,437,545</u>	<u>3,881,188</u>	<u>1,486,411</u>
CURRENT ASSETS					
Stock	14	21,481	23,420	-	-
Debtors	15	1,260,621	674,904	1,216,621	638,404
Cash at bank and in hand		1,280,923	2,651,854	701,767	2,161,710
		<u>2,563,025</u>	<u>3,350,178</u>	<u>1,918,388</u>	<u>2,800,114</u>
CURRENT LIABILITIES					
CREDITORS: amounts falling due within one year	16	(755,093)	(594,651)	(1,154,811)	(1,284,033)
NET CURRENT ASSETS		<u>1,807,935</u>	<u>2,755,527</u>	<u>763,577</u>	<u>1,516,081</u>
NET ASSETS		<u>6,508,413</u>	<u>6,193,072</u>	<u>4,644,765</u>	<u>3,002,492</u>
FUNDS					
UNRESTRICTED FUNDS					
General fund		4,099,350	3,877,396	2,796,186	2,408,321
Designated funds					
- Equipment		326,688	328,324	326,688	302,807
- IT project		18,880	35,515	18,880	35,515
	18	<u>4,444,918</u>	<u>4,241,235</u>	<u>3,141,754</u>	<u>2,746,643</u>
RESTRICTED FUNDS	18	<u>2,063,495</u>	<u>1,951,837</u>	<u>1,503,011</u>	<u>255,849</u>
TOTAL FUNDS	18	<u>6,508,413</u>	<u>6,193,072</u>	<u>4,644,765</u>	<u>3,002,492</u>

The profit for the charity only for the year was £315,341 (2017: £460,009).

The financial statements were approved and authorised for issue by the Board of Trustees on 26 July 2018 and were signed on its behalf by:

.....
S Spiro (Chairman)

.....
C Langford (Honorary Treasurer)

The notes on pages 28 to 46 form part of these financial statements.

**RENNIE GROVE HOSPICE CARE
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018**

	Notes	2018 £	2017 £
Cash flows from operating activities	24	33,061	715,760
Cash flows from investing activities			
Interest received		3,362	4,437
Dividends received		21,213	10,930
Purchase of tangible fixed assets		(158,709)	(196,667)
Sale of tangible fixed assets			-
Purchase of investments		(2,267,551)	(133,347)
Proceeds from sale of investments		997,695	766,295
Cash provided by/(used in) investing activities		<u>(1,403,992)</u>	<u>451,648</u>
Increase (decrease) in cash and cash equivalents in the year		<u>(1,370,931)</u>	<u>1,167,408</u>
Cash and cash equivalents at the beginning of the year		<u>2,651,854</u>	<u>1,484,446</u>
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		<u>1,280,923</u>	<u>2,651,854</u>

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. ACCOUNTING POLICIES

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

Statement of Compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Rennie Grove Hospice Care 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(s).

General information

The charity is a private limited company by guarantee without share capital, incorporated in England and Wales (company number: 7479930) and a charity registered in England and Wales (charity number: 1140386). The charity's registered address is shown on page 1.

Preparation of accounts on a going concern basis

The trustees consider there are no material uncertainties about the Charity's ability to continue as a going concern. The review of our financial position, reserves levels and future plans gives Trustees confidence the charity remains a going concern for the foreseeable future.

Group financial statements

The consolidated financial statements incorporate those of Rennie Grove Hospice Care and its subsidiary undertakings St Albans and Dacorum Day Hospice, Iain Rennie Hospice at Home and Iain Rennie Hospice Services Limited for the year ended 31 March 2018. Details of the individual subsidiary results are given in note 20. As permitted by section 408 of the Companies Act 2006, the SOFA of the parent company is not presented as part of these financial statements. The surplus of the parent company was £315,341 (2017: £460,009).

Income recognition

All income is recognised once the charity has entitlement to income, it is probable that income will be received and the amount of income receivable can be measured reliably.

Donations and legacies

Donations and gifts are included in full in the Statement of Financial Activities when there is entitlement, probability of receipt and the amount of income receivable can be measured reliably.

Donations are accounted for on a received basis. Legacies are recognised on a receivable basis, when the conditions of entitlement, probability and measurement are met. Where the probability and/or measurement criteria for legacies and donations are not satisfied as at the balance sheet date but subsequent events resolve the uncertainty such that the criteria are met, an adjustment is made to recognise the income.

Gifts in kind

Gifts in kind represent assets donated for distribution or use by the charity. Assets given for distribution are recognised as income only when distributed. Assets given for use by the charity are recognised when receivable. Gifts in kind are valued at the amount actually realised from the disposal of the assets or at the price the charity would otherwise have paid for the assets.

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. ACCOUNTING POLICIES (continued)

Grants

Grants are recognised in full in the statement of financial activities in the year in which the charity has entitlement to the income, the amount of income receivable can be measured reliably and there is probability of receipt.

Income from charitable activities

Income from charitable activities is recognised as earned as the related services are provided. Income from other trading activities is recognised as earned as the related goods are provided. Activities for generating funds are goods donated for sale through the Charity's shops. Goods donated for sale are included in the financial statements as income when they are sold.

Investment income

Investment income is recognised on a receivable basis once the amounts can be measured reliably.

Expenditure

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

- Costs of raising funds comprises of the costs associated with attracting voluntary income and the costs of events and the administration of the Charity shops, as well as the management costs for the investment portfolio.
- Expenditure on charitable activities comprises those costs incurred by the Charity in the delivery of its activities and services to its beneficiaries.

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

Expenditure allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned based on staff time attributable to each activity.

Allocation of costs

Staff costs are allocated between direct charitable expenditure and support costs based on the time spent on these activities. Other costs are allocated directly to the relevant heading.

Operating leases

Rental charges are charged on a straight line basis over the life of the lease.

Goodwill

Goodwill is calculated as the difference between the acquisition cost of an entity and the aggregate fair value of that entity's assets and liabilities. Goodwill is amortised on a straight line basis over its useful life, which is considered to be 5 years.

Investments

Investments are a form of basic financial instruments and are initially shown in the financial statements at market value. Movements in the market values of investments are shown as unrealised gains and losses in the Statement of Financial Activities.

Profits and losses on the realisation of investments are shown as realised gains and losses in the Statement of Financial Activities. Realised gains and losses on investments are calculated between sales proceeds and their opening carrying values or their purchase value if acquired subsequent to the first day

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at
ACCOUNTING POLICIES (continued)

the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Fixed assets

Fixed assets are stated at cost or deemed cost (donated valuation at estimated fair value) less accumulated depreciation and impairment losses. Assets costing more than £5,000 are capitalised.

Depreciation is calculated to write off the costs of the fixed asset by equal instalments as follows, all straight line:

Freehold land	0%
Freehold buildings	over 50 years from the date of first use
Leasehold property	over the term of the lease
Leasehold improvements	over the term of the lease
Motor vehicles	25% - 33% straight line
Fixtures and fittings	20% straight line
Tools and equipment	25% - 33% straight line
Car park	over 10 years from the date of first use

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Creditors and provisions

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

Stock

Stocks are valued at the lower of cost and net realisable. Net realisable value is based upon estimated selling price less further costs expected to be incurred to completion and disposal. Provision is made for obsolete and slow-moving items.

The trustees have concluded and agreed that the valuing of shops donated goods for resale on receipt is impractical due to the high volume of low value items, lack of stock system for recording these items and the administrative cost involved. Instead the income is recognised in the accounts when these goods are sold.

Debtors

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

Cash at bank and in hand

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

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

1. ACCOUNTING POLICIES (continued)

Funds

The general fund comprises the accumulated surpluses of unrestricted incoming resources over resources expended, which are available for use in furtherance of the general objective of the Charity at the discretion of the Trustees.

Restricted funds are funds subject to specific conditions imposed by donors. The purpose and use of the restricted funds are set out in the notes to the accounts. Amounts unspent at the year-end are carried forward in the balance sheet.

To the extent that restricted funds are expended on capital items a transfer is made between unrestricted and restricted reserves.

Designated funds are unrestricted funds earmarked by the Trustees for spending on the new hospice project.

Employee benefits

• **Short term benefits**

Short term benefits including holiday pay are recognised as an expense in the period in which the service is received.

• **Employee termination benefits**

Termination benefits are accounted for on an accrual basis and in line with FRS 102.

• **Pension scheme**

The charitable company operates a defined contribution pension scheme. The charitable company also contributes to the NHS pension scheme. Charges are made to the Statement of Financial Activities as they arise. More details are given in note 17.

Estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Although these estimates are based on management's best knowledge of the amount, events or actions, actual results ultimately differ from those estimates. The Trustees consider the evaluation of useful economic life of fixed assets to be the area of judgement and significant effect on the financial statements. Further details on these judgements are provided in the relevant section above.

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

2. ANALYSIS OF INCOME	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Legacies	765,347	-	765,347	809,191
Donations	1,433,173	465,983	1,899,156	1,636,447
Total legacies and donations	2,198,520	465,983	2,664,503	2,445,638
Events	783,236	11,774	795,010	798,804
Trading	2,899,886	-	2,899,886	2,627,323
Rental income	-	-	-	70,875
Total trading and fundraising	3,683,122	11,774	3,694,896	3,497,002
Investment income receivable	11,905	9,308	21,213	10,930
Interest receivable	3,362	-	3,362	4,437
Total investment	15,267	9,308	24,575	15,367
Income from donations, legacies, trading, fundraising & investments	5,896,909	487,065	6,383,974	5,958,007
3. INCOME FROM CHARITABLE ACTIVITIES				
	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
NHS funding from CCGs	962,488	-	962,488	1,013,451
Pepper Foundation	-	427,351	427,351	440,591
	962,488	427,351	1,389,839	1,454,042
4. OTHER INCOME				
	Unrestricted funds	Restricted funds	Total 2018	Total 2017
	£	£	£	£
Hospice Lottery Partnership	358,500	-	358,500	392,000
Other	15,934	4,475	20,409	19,258
	374,434	4,475	378,909	411,258

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

5. EXPENDITURE	Direct staff costs £	Direct other costs £	Allocated support costs £	Total 2018 £	Total 2017 £
Costs of raising donations and legacies	583,948	283,823	123,302	991,074	928,223
Costs of trading and fundraising	998,236	1,428,995	258,346	2,685,577	2,426,237
Charitable activities					
- Patient care	3,331,801	497,155	446,234	4,257,190	4,295,591
	<u>4,913,985</u>	<u>2,191,973</u>	<u>827,882</u>	<u>7,933,841</u>	<u>7,650,051</u>
	=====	=====	=====	=====	=====

Included in the allocated support costs above are staff costs of £537,359.

6. ANALYSIS OF SUPPORT COSTS	Management £	Finance £	Resources £	Governance £	2018 Total £	2017 Total £
Costs of raising donations and legacies	25,427	19,571	72,670	5,634	123,302	116,647
Costs of trading and fundraising	53,276	41,006	152,260	11,804	258,346	244,958
Charitable activities						
- Patient care	92,022	70,830	262,994	20,388	446,234	443,257
	<u>170,725</u>	<u>131,407</u>	<u>487,924</u>	<u>37,826</u>	<u>827,882</u>	<u>804,862</u>
	=====	=====	=====	=====	=====	=====

Resources include costs of IT and premises.

GOVERNANCE COSTS INCLUDE	2018 £	2017 £
Insurance	8,439	8,689
Legal fees	4,213	5,087
Professional fees	3,817	24,647
Other expenses	3,957	1,214
Auditor's remuneration:		
Audit work	14,350	12,600
Other services	3,050	4,500
	<u>37,826</u>	<u>56,737</u>
	=====	=====

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

7. NET INCOME

	2018	2017
	£	£
Net income is stated after:		
Auditors' remuneration		
- Audit services	14,350	12,600
- Other services	3,050	4,500
Operating lease rentals		
- Land and buildings	598,355	572,487
Depreciation	162,094	151,156
Amortisation	100,000	-

8. STAFF COSTS

	2018	2017
	Number	Number
The average monthly number of employees for the charity and the group during the year was:		
Direct charitable work	76	76
Fundraising – donations and legacies	21	20
Fundraising – trading (shop staff)	41	39
Fundraising - events	3	3
Management and administration	14	13
	<u>155</u>	<u>151</u>

	2018	2017
	£	£
Employment costs in respect of the staff above were:		
Wages and salaries	4,493,503	4,454,838
National insurance	386,467	379,526
Pensions	229,051	209,588
Other costs	342,323	334,956
	<u>5,451,344</u>	<u>5,378,908</u>

The number of employees whose emoluments, excluding pension contributions and employers national insurance contributions, were over £60,000 during the year was:

	2018	2017
	Number	Number
£60,001- £70,000	1	1
£80,001 to £90,000	1	1

During the year pension contributions for the two employees noted above amounted to £13,759 (2017: £ 13,992).

The total employee benefits of the key management personnel of the Group and Charity were £445,178 (2017: £434,621). Rennie Grove Hospice Care had a handover period at the end of the financial year as the new and retiring Chief Executives overlapped.

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

9. TRUSTEE REMUNERATION

The Trustees did not receive any remuneration during the year (2017: nil). The Trustees were not reimbursed any travel costs during the year (2017: £nil).

10. TAXATION

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purpose.

11. INTANGIBLE FIXED ASSETS (GROUP AND CHARITY)

**Goodwill
£
2018**

Cost

At 1 April 2017

500,000

Additions

-

At 31 March 2018

500,000

Amortisation

At 1 April 2017

-

Charge for the year

100,000

At 31 March 2018

100,000

Net book value

At 31 March 2018

400,000

At 31 March 2017

500,000

=====

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

12. TANGIBLE FIXED ASSETS

	Land and buildings £	Leasehold improve- ments £	Fixtures and fittings £	Tools and equipment £	Motor vehicles £	Total £
Group:						
Cost						
At 1 April 2017	2,050,942	242,165	198,266	608,697	72,847	3,172,918
Additions	-	78,107	28,516	41,252	10,834	158,709
Disposals	-	(19,143)	(41,427)	(155,959)	-	(216,529)
At 31 March 2018	<u>2,050,942</u>	<u>301,129</u>	<u>185,355</u>	<u>493,990</u>	<u>83,681</u>	<u>3,115,097</u>
Depreciation						
At 1 April 2017	384,127	214,117	104,196	411,316	64,026	1,177,782
Charge for the year	20,631	19,814	28,222	82,123	11,304	162,094
Disposals	-	(19,143)	(41,427)	(155,959)	-	(216,529)
At 31 March 2018	<u>404,758</u>	<u>214,788</u>	<u>90,989</u>	<u>337,480</u>	<u>75,330</u>	<u>1,123,345</u>
Net book value						
At 31 March 2018	<u>1,646,184</u>	<u>86,341</u>	<u>94,366</u>	<u>156,510</u>	<u>8,351</u>	<u>1,991,753</u>
At 31 March 2017	<u>1,666,815</u>	<u>28,048</u>	<u>94,071</u>	<u>197,381</u>	<u>8,821</u>	<u>1,995,136</u>
Charity:						
Cost						
At 1 April 2017	-	83,142	86,504	345,872	43,460	558,977
Reallocation of cost	-	159,023	37,537	106,866	29,388	332,814
Additions	-	78,107	28,516	41,252	10,834	158,709
Transfer from subsidiary	1,382,342	-	74,225	-	-	1,456,567
Disposals	-	(19,143)	(41,427)	-	-	(60,570)
At 31 March 2018	<u>1,382,342</u>	<u>301,129</u>	<u>185,355</u>	<u>493,990</u>	<u>83,681</u>	<u>2,446,497</u>
Depreciation						
At 1 April 2017	-	55,094	17,947	148,491	34,639	256,171
Reallocation of depreciation	-	159,023	37,537	106,866	29,387	332,813
Charge for the year	10,530	19,814	26,482	82,123	11,304	150,253
Transfer from subsidiary	286,112	-	50,450	-	-	336,562
Disposals	-	(19,143)	(41,427)	-	-	(60,570)
At 31 March 2018	<u>296,642</u>	<u>214,788</u>	<u>90,989</u>	<u>337,480</u>	<u>75,330</u>	<u>1,015,229</u>
Net book value						
At 31 March 2018	<u>1,085,700</u>	<u>86,341</u>	<u>94,366</u>	<u>156,510</u>	<u>8,351</u>	<u>1,431,268</u>
At 31 March 2017	<u>-</u>	<u>28,048</u>	<u>68,557</u>	<u>197,381</u>	<u>8,821</u>	<u>302,807</u>

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

12. TANGIBLE FIXED ASSETS (Continued)

In 2018 £1,096,230 within Land & Buildings : The Grove House building was transferred from St Albans and Dacorum to Rennie Grove Hospice Care. Included in cost and accumulated of £1,382,342 and £286,112 respectively.

13. INVESTMENTS	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Listed investments	2,049,918	683,602	2,049,918	683,602
Unlisted investments	258,807	258,807	2	2
	<u>2,308,725</u>	<u>942,409</u>	<u>2,049,920</u>	<u>683,604</u>
	=====	=====	=====	=====

Listed investments (Group only):

Market valuation

	Group 2018 £	Group 2017 £
At 1 April	683,602	606,884
Additions	2,267,551	133,347
Disposals	(997,695)	(134,274)
Gains/(losses) on investments	96,460	77,645
At 31 March	<u>2,049,918</u>	<u>683,602</u>
	=====	=====

Historic cost of listed investments	<u>1,967,675</u>	<u>586,977</u>
	=====	=====

Listed investments (Group only):

Rennie Grove Hospice Care carried out a review of investments which resulted in all existing investments being sold and the funds reinvested in the Barclays Charity Investment fund. The Nurses Cottage Fund wound up their charity and donated the proceeds to Rennie Grove Hospice Care in the form of a UK Government Treasury Stock.

Unlisted investments (Group only):

At 31 March 2018 Iain Rennie Hospice at Home and St Albans and Dacorum Day Hospice each owned 14 shares of £1 nominal value each in The Hospice Lottery Partnership Limited, a company registered in England and Wales carrying out fundraising activity for 6 hospices (2017: 14 shares, 6 hospices). The investments are included in the financial statements at cost.

Each participating hospice has a representative on The Hospice Lottery Partnership board. During the year to 31 March 2018 The Hospice Lottery Partnership Limited made donations to group companies totalling £385,500 (2017: £392,000). As at 31 March 2018, £44,000 was due to the group from The Hospice Lottery Partnership (2017: £36,500).

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

14. STOCK	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Bought in goods for resale	21,481 =====	23,420 =====	- =====	- =====
15. DEBTORS	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade debtors	1,575	-	1,575	-
Income tax recoverable	82,939	76,398	82,939	76,398
Prepayments and accrued legacy income	1,100,929	591,983	1,056,929	555,483
Other debtors	75,178	6,523	75,178	6,523
	<u>1,260,621</u> =====	<u>674,904</u> =====	<u>1,216,621</u> =====	<u>638,404</u> =====
16. CREDITORS: amounts falling due within one year	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Trade creditors	270,458	151,197	268,511	147,657
Taxation and social security	94,804	101,570	92,381	96,029
Pensions	38,038	34,400	38,038	34,400
Accruals and deferred income	351,297	306,941	349,797	305,440
Other creditors	493	543	493	543
Owed to group undertakings	-	-	405,591	699,964
	<u>755,090</u> =====	<u>594,651</u> =====	<u>1,154,811</u> =====	<u>1,284,033</u> =====

Accruals and deferred income includes deferred income as follows:

	Group & Charity 2018 £	Group & Charity 2017 £
At 1 April 2017	50,572	100,370
Amounts deferred in the year	14,908	50,572
Amounts released in the year	(50,572)	(100,370)
At 31 March 2018	<u>14,908</u> =====	<u>50,572</u> =====

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

17. PENSION COMMITMENTS

The Charity contributed to three pension schemes during the year on behalf of its employees.

- The NHS Pension Scheme
- The Pensions Trust Growth Plan
- The Standard Life defined contribution scheme

Contributions to each scheme are charged to the Statement of Financial Activities as they arise.

The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, general practices and other bodies allowed under the direction of the Secretary of State in England and Wales. As a consequence it is not possible for the Charity to identify its share of the assets and liabilities of the underlying scheme.

NHS Resource Accounts are published on the NHS Pensions website annually and include the report from the scheme actuary. The Charity adopts the employer contribution rates as recommended for its employees. £10,102 in contributions were outstanding at 31 March 2018 (2017: £11,288).

The Pensions Trust Growth Plan is a money purchase scheme with guaranteed benefits which is closed to new members. This is a multi-employer scheme and as it is not possible to identify the Charity's share of underlying assets and liabilities, the scheme is accounted for as a defined contribution scheme and contributions are accounted for as they fall due. A ten year deficit reduction plan has been agreed, into which the Charity pays a sum of £44 per annum. The most recent estimate as at 4 July 2018 shows that a liability of £55,494 (2017 £57,889) would arise if the Charity withdrew from the scheme. There is no plan to leave the scheme therefore this liability has not been provided for in the financial statements. £1,499 in pension contributions was outstanding at 31 March 2018 (2017: £1,483).

The Standard Life scheme covers both the defined contribution and auto enrolment.

The Standard Life defined contribution scheme had £26,437 in pension contributions outstanding at 31 March 2018 (2017: £21,110). The Standard Life auto-enrolment scheme had £348 in pension contributions outstanding at 31 March 2018 (2017: £nil).

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

18. RESERVES 2018

	At 1 April 2017 £	Income £	Expenditure £	Gains, Losses and Transfers £	At 31 March 2018 £
Group:					
Unrestricted funds					
General funds	3,864,193	7,119,856	(6,955,695)	57,793	4,086,147
Designated fixed asset fund	328,324	-	(117,869)	116,233	326,688
Designated equipment fund	35,515	-	(16,635)	-	18,880
Iain Rennie Hospice Services	13,203	113,974	(113,974)	-	13,203
	<u>4,241,235</u>	<u>7,233,830</u>	<u>(7,204,173)</u>	<u>174,026</u>	<u>4,444,918</u>
Restricted funds					
Property fund	1,666,815	-	(20,631)	-	1,646,184
Other fixed assets	-	-	(6,959)	6,959	-
Pepper Foundation	-	427,351	(427,351)	-	-
Nurses Cottage Trust	-	241,614	(22,598)	73,658	292,674
Other restricted funds	285,022	249,927	(252,129)	(158,183)	124,637
	<u>1,951,837</u>	<u>918,892</u>	<u>(729,668)</u>	<u>(77,566)</u>	<u>2,063,495</u>
Total funds	<u>6,193,072</u>	<u>8,152,722</u>	<u>(7,933,841)</u>	<u>96,460</u>	<u>6,508,413</u>
	=====	=====	=====	=====	=====
Charity:					
Unrestricted funds					
General funds	2,408,321	7,305,202	(6,945,955)	28,618	2,796,186
Designated fixed asset fund	302,807	-	(117,869)	141,750	326,688
Designated equipment fund	35,515	-	(16,635)	-	18,880
	<u>2,746,643</u>	<u>7,305,202</u>	<u>(7,080,459)</u>	<u>170,368</u>	<u>3,141,754</u>
Restricted funds					
Pepper Foundation	-	427,351	(427,351)	-	-
Property fund	-	1,096,230	(10,530)	-	1,085,700
Other fixed assets	-	23,775	(5,219)	(18,556)	-
Nurses Cottage Fund	-	241,614	(22,598)	73,658	292,674
Other restricted funds	255,849	249,926	(252,128)	(129,010)	124,637
	<u>255,849</u>	<u>2,038,896</u>	<u>(717,826)</u>	<u>(73,908)</u>	<u>1,503,011</u>
Total funds	<u>3,002,492</u>	<u>9,344,098</u>	<u>(7,798,285)</u>	<u>96,460</u>	<u>4,644,765</u>
	=====	=====	=====	=====	=====

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

RESERVES 2017 – PRIOR YEAR COMPARATIVE

RESERVES

	At 1 April 2016 £	Income £	Expenditure £	Losses and Transfers £	At 31 March 2017 £
Group:					
Unrestricted funds					
General funds	3,434,206	6,866,353	(6,650,473)	214,107	3,864,193
Designated fixed asset fund	262,178	-	-	66,146	328,324
Designated equipment fund	65,611	-	(30,096)	-	35,515
Iain Rennie Hospice Services	13,203	184,761	(184,761)	-	13,203
	<u>3,775,198</u>	<u>7,051,114</u>	<u>(6,865,330)</u>	<u>280,253</u>	<u>4,241,235</u>
Restricted funds					
Property fund	1,687,447	-	(20,632)	-	1,666,815
Pepper Foundation	-	440,591	(440,591)	-	-
Other restricted funds	270,418	331,602	(323,498)	6,500	285,022
	<u>1,957,865</u>	<u>772,193</u>	<u>(784,721)</u>	<u>6,500</u>	<u>1,951,837</u>
Total funds	<u>5,733,063</u>	<u>7,823,307</u>	<u>(7,650,051)</u>	<u>286,753</u>	<u>6,193,072</u>
	=====	=====	=====	=====	=====
Charity:					
Unrestricted funds					
General funds	1,597,560	7,513,364	(6,659,615)	(42,988)	2,408,321
Designated fixed asset fund	183,719	-	(123,565)	242,653	302,807
Designated equipment fund	65,611	-	(30,096)	-	35,515
	<u>1,846,890</u>	<u>7,513,364</u>	<u>(6,813,276)</u>	<u>199,665</u>	<u>2,746,643</u>
Restricted funds					
Pepper Foundation	-	440,591	(440,591)	-	-
Other restricted funds	235,438	331,602	(311,191)	-	255,849
	<u>235,438</u>	<u>772,193</u>	<u>(751,782)</u>	<u>-</u>	<u>255,849</u>
Total funds	<u>2,082,328</u>	<u>8,285,557</u>	<u>(7,565,058)</u>	<u>199,665</u>	<u>3,002,492</u>
	=====	=====	=====	=====	=====

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

18. RESERVES (continued)

Restricted Funds

Property Fund

The property fund represents the net book value of Gillian King House, a freehold property purchased through a gift from a trust in November 2002 to accommodate the nursing and support teams operating in the South Bucks area, and the Grove House premises, which is a leasehold property, subject to a lease from the Department of Health for 99 years from 1991. The construction and subsequent extensions of the premises have been financed mainly from grants and donations made for these specific purposes.

The Pepper Foundation

The Pepper Foundation and Department of Health funds are received towards the salaries and expenses of the paediatric Hospice at Home team and the family support services.

Nurse Cottage Fund

In May 2017, Rennie Grove Hospice Care received a donation from The Nurses Cottage Fund consisting of Treasury Stock and Cash totalling £241,614. The trustees have approved the expenditure of cash and earned interest on clinical care in the Great Missenden and Prestwood areas.

Other Restricted Funds

Other restricted funds consist of smaller grants and donations given for specific purposes or projects.

Designated funds

The Fixed Asset Fund represents the net book value of fixed assets other than property.

The Equipment Fund represents commitments made at the year-end towards the purchase and installation of electronic tills and equipment.

Transfers

During the year £25,515 (2017:£6,500) was transferred from general reserves to unrestricted reserves to reallocate expenditure unallocated in previous years. In 2018, £176,739 of expenditure on the fixed assets was transferred from restricted to unrestricted.

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

19. ANALYSIS OF NET ASSETS BY FUND

	Unrestricted funds £	Restricted funds £	Total £
Group:			
Intangible fixed assets	400,000	-	400,000
Tangible fixed assets	345,569	1,646,184	1,991,753
Investments	2,016,051	292,674	2,308,725
Other net assets	1,683,298	124,637	1,807,935
	<u>4,444,918</u>	<u>2,063,495</u>	<u>6,508,413</u>
	=====	=====	=====
Charity:			
Intangible fixed assets	400,000	-	400,000
Tangible fixed assets	345,568	1,085,700	1,431,268
Investments	1,757,246	292,674	2,049,920
Other net assets	638,940	124,637	763,577
	<u>3,141,754</u>	<u>1,503,011</u>	<u>4,644,765</u>
	=====	=====	=====

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

20. SUBSIDIARY COMPANIES

The charitable company owns 100% of the share capital of three subsidiaries, which are all incorporated in England and Wales. The results for the year to 31 March 2018 and the assets and liabilities at this date are included within the consolidated financial statements.

	Income	Expenditure	Net funds
	£	£	£
St Albans and Dacorum Day Hospice	179,250	1,151,700	604,561
Iain Rennie Hospice at Home	186,831	541,317	1,245,882
Iain Rennie Hospice Services	113,974	113,974	13,203
	=====	=====	=====

21. RELATED PARTY TRANSACTIONS

The charitable company has three subsidiaries, detailed in note 20 above. During the year, St Albans and Dacorum Day Hospice, Iain Rennie Hospice at Home and Iain Rennie Hospice Services made donations to the charitable company of £1,120,006 (2017: £280,560), £505,420 (2017: £464,407) and £38,425 (2017: £36,382) respectively.

At 31 March 2018 St Albans and Dacorum Day Hospice was due £325,113 from the charitable company (2017: £190,361), Iain Rennie Hospice at Home was due £118,900 from the charitable company (2017: £45,984) and Iain Rennie Hospice Services due to the charitable company £0 (2017: £463,617).

22. FINANCIAL COMMITMENTS

As at 31 March 2018 the Charity and group was committed to making the following payments under non-cancellable operating leases:

	Land and buildings	
	2018	2017
	£	£
Expiry date:		
Within one year	578,935	561,476
Between one and two years	527,859	468,613
Between two and five years	1,103,881	854,571
In over five years	603,711	354,107
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	2,814,386	2,238,767
	=====	=====

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

23. FINANCIAL INSTRUMENTS

GROUP:	2018	2017
	£	£
Financial assets at amortised cost	1,282,267	2,658,377
Financial liabilities at amortised cost	308,992	186,140
Financial assets at fair value	2,049,918	683,602
Equity instrument at cost less impairment	258,806	258,806
CHARITY:		
Financial assets at amortised cost	703,111	2,168,233
Financial liabilities at amortised cost	712,633	882,564
Financial asset at fair value	2,049,918	603,602
Equity instrument at cost less impairment	2	2

24. NOTES TO THE CASHFLOW STATEMENT

	2018	2017
	£	£
Reconciliation of changes in resources to net cash inflow/(outflow) from operating activities		
Net income for reporting period	315,341	460,009
Depreciation of tangible fixed assets	162,094	151,156
Amortisation of intangible fixed assets	100,000	-
Losses/(gains) on investments	(96,460)	(286,753)
Interest received	(3,362)	(4,437)
Dividends received	(21,213)	(10,930)
(Increase)/decrease in stock	1,939	7,883
(Increase)/decrease in debtors	(585,717)	323,123
Increase/(decrease) in creditors	160,439	75,709
	<u>33,061</u>	<u>715,760</u>
Net cash used in operating activities	=====	=====

**RENNIE GROVE HOSPICE CARE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2018**

25. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (2017):

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2017 £
INCOME FROM:				
Donations and legacies	2	2,123,985	321,653	2,445,638
Charitable activities	3			
NHS funding		1,013,451	-	1,013,451
Other income from charitable activities		-	440,591	440,591
Other trading activities	2			
Events & community		788,855	9,949	798,804
Retail income		2,627,323	-	2,627,323
Rental income		70,875	-	70,875
Investments		15,367	-	15,367
Other	4	411,258	-	411,258
Total income		7,051,114	772,193	7,823,307
EXPENDITURE ON:				
Raising funds	5			
Donations and legacies		928,223	-	928,223
Fundraising activities		2,426,237	-	2,426,237
Charitable activities	5			
Patient care		3,510,870	784,721	4,295,591
Total expenditure	5	6,865,330	784,721	7,650,051
Net gains/(losses) on investments		286,753	-	286,753
Net income/(expenditure)	7	472,537	(12,528)	460,009
Transfers between funds		(6,500)	6,500	-
Other recognised gains/(losses)		-	-	-
Net movement in funds		466,037	(6,028)	460,009
Funds brought forward		3,775,198	1,957,865	5,733,063
Funds at 31 March 2017		4,241,235	1,951,837	6,193,072