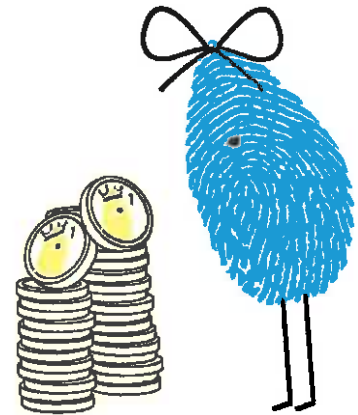




Financial statements for the **year** ended **31 March 2018**



Registered company number 02927688

Registered charity number 1042495

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General information

Registered Office

Bridge House
Addlestone Road
Addlestone
Surrey KT15 2UE

Trustees:

Kenneth Hanna	(Chairman)
Jillian Ader	
Paul Boughton	(Treasurer, Chair of Finance and Resources Committee & Chair of Tuckwell Chase Lottery Ltd, Director of Shooting Star Marketing Ltd and Chase Hospice Trading Ltd)
Andrew Cosslett	(Chair of Fundraising, Marketing and Communications Committee)
Jayne Price	(Chair of Quality Governance and Risk Group)
Jonathan Kembery	
Catherine Van't Riet	
Jon Craig	(Chair of Care Advisory Group)(appointed Sep 2017)
Robert Peet	(resigned Sep 2017)

Bankers and Professional advisors:

Auditor

Buzzacott LLP
130 Wood Street
London
EC2V 6DL

Bankers

Barclays Bank PLC
Town Gate House
Church Street East
Woking, Surrey GU21 6AE

Lloyds Bank PLC
49 High Street
Godalming
Surrey GU7 1AT

Solicitors

Barlow Robbins LLP
The Oriel
Sydenham Road
Guildford
Surrey GU1 3SR

Investment Managers

Brewin Dolphin Ltd
12 Smithfield Streets
London
EC1A 9BD

The registered name of the company is Shooting Star Chase Limited. In accordance with Section 60 of the Companies Act 2006, the company is exempt from the requirements of that Act to include "Limited" as part of its name.



Report of the Trustees for the Year Ended 31 March 2018

The trustees, who act as directors for the purposes of company law, present their annual report and the audited financial statements for the year ended 31 March 2018.

The accounts have been prepared in accordance with the accounting policies set out on pages 36 to 41 of the attached financial statements and comply with the Articles of Association, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102).

Strategic Report

Aims, objectives and activities

The charity's public benefit as set out in the Objects clause in its Articles of Association is to *promote the relief of illness by the provision of palliative care amongst young persons who are suffering from a life-limiting illness or condition.*

Shooting Star Chase (SSC) aims to achieve this objective primarily through the provision of care services to life-limited children and their families at home, in the community, and at Christopher's and Shooting Star House, the purpose-built hospices in Guildford and Hampton respectively.

Public benefit

In accordance with the requirements of the Charities Act 2011, the trustees have paid due regard to the Charity Commission's guidance on public benefit when deciding and planning SSC's activities. The sections which follow demonstrate how SSC met its charitable purpose in 2018 and its principal achievements under its respective strategic priority areas of work.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Our strategy - 'More care for more children and families'

Our purpose:

We will provide high quality, safe and effective children's hospice care, and will further develop our service in response to evolving needs.

Objectives to help achieve our purpose:

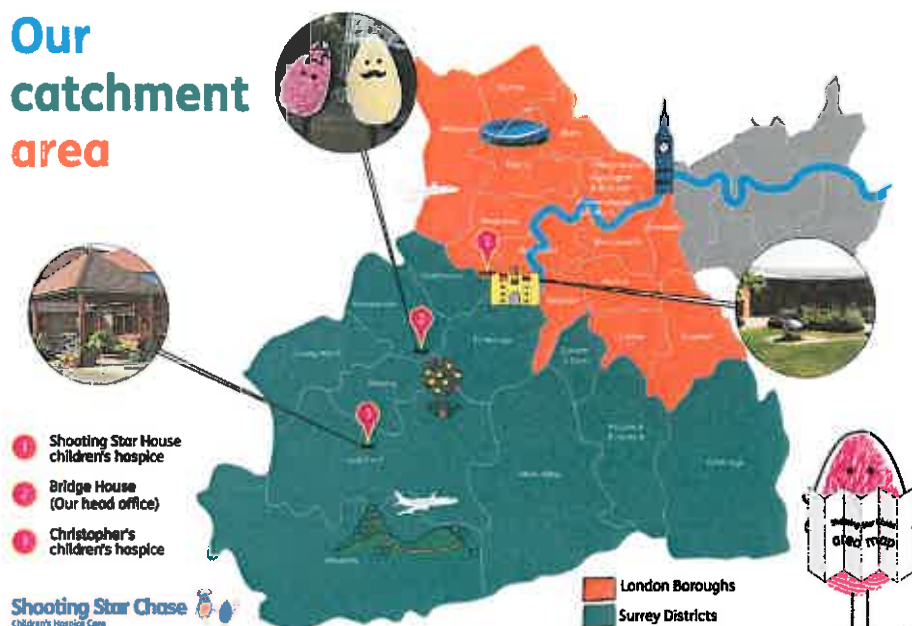
- **Income and awareness:**
To increase the income and awareness we need to maintain and develop the care service we provide.
- **People:**
To attract, retain and develop people with the right skill set who will deliver our strategy and share our values. We want all our people – staff and volunteers – to feel valued for the work they do.
- **Innovation and best practice:**
To further develop our role as a key driver of innovation and best practice in children's hospice and palliative care.

1. Our care service

The charity cares for babies, children and young people with a life-limiting condition/diagnosis who are unlikely to reach their 18th birthday.

The charity serves an area of West London and Surrey, with a population of roughly five million people.

Our catchment area





Report of the Trustees for the Year Ended 31 March 2018 (continued)

1.1 Our Hospices - The charity runs two children's hospices, Christopher's outside Guildford and Shooting Star House in Hampton.

At Christopher's regular staffing is set at a level which can cover the availability of five beds during the week and seven beds at weekends and holidays. At Shooting Star House regular staffing covers the availability of four beds during the week, six beds at weekends and four places in Sparkle Day Care.

Our care service is regulated by the Care Quality Commission (CQC). We currently have an overall rating of **outstanding** – the highest possible overall rating – at both Shooting Star House (awarded February 2015) and Christopher's (awarded October 2016). This rating puts Shooting Star Chase in the top 3% of health and social care services in England.

1.2 End-of-life and bereavement care - One of our fundamental aims is to provide expert nursing and medical care for children at end of life, with support for their families, in their preferred place of care. Care does not stop after a child has died. We have a dedicated area at each hospice where a child can lay at rest, allowing their family to say goodbye in a familiar and supportive environment. We will continue to provide practical and emotional support for the entire family for as long as they need.

1.3 Planned short breaks - Caring for a life-limited child or young person is emotionally and physically exhausting. That's why we provide 3,000 short breaks each year at our two children's hospices, Shooting Star House and Christopher's. We give families a number of nights every year to use in the way that suits them best. These short breaks provide the children and young people with a range of fun, sensory and therapeutic activities, while parents can choose to stay at the hospice to enjoy family time together or get a crucial break.

Due to the strength of our service we are able to provide care to children with very complex needs including ventilation dependent children.

1.4 Emergency short breaks - Occasionally, a family may require support at short notice due to an unexpected situation. At Shooting Star Chase we pride ourselves on our flexible care and will always do our best to support a family in a crisis.

1.5 Hospice at Home - Parents caring for a life-limited child tell us they rarely get the chance to do everyday things. That's why our Hospice at Home Team make an extensive number of visits each month, enabling parents to spend time with their other children, have a break or simply have a bath. The amount of care and support offered to families at home depends on a number of factors and can be increased at times of crisis. We can also provide Hospice at Home care when a child is in hospital, and help support siblings. In order to provide high-quality care, the Hospice at Home Team will also liaise with other professionals and services involved in the child's care and will attend multi-disciplinary meetings to support and advocate for the family when required. When a child reaches the end-of-life phase, the Hospice at Home Team can support the family to care for their child at home or assist them in using the hospice.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

1.6 Symptom Management - Many children we support have very complex and changing symptoms, particularly at end of life. We have a Symptom Care Team led by a Consultant in Paediatric Palliative Medicine and a team of specialist nurses trained in symptom care. They provide expert advice, including individualised symptom care plans and emergency health care plans, supporting the child and family at our hospices, at home, in hospital or at the child's school. The team works jointly with other specialist teams such as the Royal Marsden Hospital, Great Ormond Street Hospital and Evelina Children's Hospital to coordinate the wide range of professionals who are involved in the child's care. This ensures a family's wishes are at the centre of care provision and decision making.

1.7 Counselling and support groups - We have a team of experienced and fully qualified counsellors, some of whom practise in a voluntary capacity, providing an extensive range of counselling and support groups for the whole family. Sessions usually take place weekly and can be arranged at Shooting Star House or Christopher's, or in a family's own home. These are offered to young people accessing the service, parents/carers, grandparents, siblings and other involved relatives. Siblings often feel alone and isolated, and many experience bullying because their family is seen as different. That's why we support 1,000 brothers and sisters with dedicated sibling groups. These groups contain fun activities and opportunities to explore and share their feelings in a safe environment. Other support groups include grandparents' days, family workshops on how to support siblings, pamper days, dads' days, preschool groups and staff support groups.

1.8 Social work - Some families we care for find it difficult to access social support such as housing or financial benefits. That's why we employ social workers to give advice and guidance. They help train staff on best practice and develop links with statutory and community services, advocating for families when appropriate.

1.9 Day care - Families of children with a life-limiting condition often find it difficult to fit in day-to-day activities such as attending appointments, shopping or simply having a few hours on their own. At Shooting Star Chase we offer day care at both our hospices. This allows families to leave their child for a few hours in a safe environment with experienced and familiar care team members.

1.10 Preschool groups - As well as day care, we offer two preschool groups which children attend with their parents, siblings or carers. Little Sparklers (Shooting Star House) and Little Chasers (Christopher's) contain a range of fun activities incorporating music, play and art. Because of their complex care needs, the children we support don't often have access to standard toddler groups, so Little Sparklers and Little Chasers provide an opportunity for children to do things other children do. The groups are often a family's first experience of our hospices so are a great way to introduce the facilities on offer and provide valuable social interaction with other families.

1.11 Special activities - We like to make every moment count at Shooting Star Chase and our dedicated play and activities team organises fun times to create happy memories the whole family can cherish.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

1.12 Therapies - As well as physiotherapy and occupational therapy, which includes liaison with statutory service providers, we also offer a range of creative and complementary therapies.

- **Complementary therapy** - Looking after the complex care needs of a life-limited child can be stressful and exhausting. That's why we offer complementary therapy to children and families both at our hospices and in the family home. The therapies offer an opportunity to switch off from the stresses of life and relax.
- **Creative therapies** - It can often be difficult for children and young people to communicate feelings with words. Creative therapy such as art, music and play can reach beyond words and help to express and understand all sorts of feelings. Creative therapy sessions are available for children with life-limiting conditions and their siblings, and are tailored to each individual's specific needs. This helps children and young people to make sense of life experiences. Creative therapy promotes emotional well-being, builds confidence and empowers children and young people to manage difficult times.
- **Art therapy** - Art therapy uses art materials and artistic expression to help awareness, understanding and expression of feelings in a way children may not be able to do using just words and thoughts. Children might paint or draw, use clay, make animations or collages to create a visual language for feelings.
- **Music therapy** - Music therapy offers a safe, secure space where children are not under instruction but may be helped to use all their capabilities for making sounds, encouraging new ways of communicating their needs and feelings.
- **Play therapy** - Play is essential for children to develop physically, emotionally and socially. Play therapy aims to develop a safe and accepting space where children can use their natural language of play to express themselves.

1.13 - Transition Medical advances and improved care has resulted in many young people with life-limiting conditions surviving into adulthood. That's why we provide transition care to help facilitate the move into adult services. The role of our transition coordinator is to look at the process and map where young people moving away from children's hospice services will get their respite, care and recreational needs met in the future. The transition coordinator supports and advises families and hospice key workers to ensure young people likely to move to adult services are identified early and a transition plan is made involving all key stakeholders.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

1.14 - Practice Education As part of our determination to remain a quest to be a centre of excellence in children's palliative care, the professional and personal development of all our staff is key. Complexity of care and the changing needs of those we serve mean our service is constantly evolving. That's why we need to provide hundreds of hours of training to our staff every year. Our Practice Education & Quality Team ensure all staff have the right training and support to do their jobs to the highest standard and quality, enabling us to continue to deliver the best possible care to the children and families we support.

Medical advancements mean children are living longer with very complex conditions, so it is essential that our Practice Education & Quality Team keeps abreast of the latest developments and procedures. For example, there are many children who are technology-dependent and require mechanical ventilation on a day-to-day basis.

With different ventilators to understand, the team trains our staff so they have the skills required to be able to care for children needing long-term ventilation. Caring for children requiring long-term ventilation is not available in many children's hospices.

The team also works with three linked universities in our area, offering placements and teaching support. This ensures the nurses of tomorrow have a strong understanding of children's hospices, helping to build long-term links with other healthcare providers.

1.15 – The Care Database The charity has run its own care information system for both itself and other hospices for over 15 years. Three years ago it was decided to redevelop this system into a modern IT platform using UK based developers so it could meet the needs of modern day, particularly allowing accessible and mobile access via tablets for care staff, children, families and external professionals.

Some of the key features of the system are:

- Recording child and family details
- Managing the referral process
- Customisable care planning
- Electronic contacts and notes
- Generating correspondence
- In house and community bookings
- Care management and reporting
- Rostering of staff
- HR functions to support rostering such as annual leave and sickness management.
- Linking child dependencies to staff competencies

The system is now also used and offered to other hospices and care organisations on a software as a service basis with a subscription based model.

The system is now owned and managed by a 100% owned trading subsidiary, Chase Hospice Trading Ltd.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report - Achievements and performance

Overall 2017/18 was an exceptionally challenging year for the charity. In addition to dealing with the complexity of care the charity provides and implementing the Care Database, it also needed to find ongoing savings and increased income of £1.25m (15% of expenditure) with in-year savings of £600k. This was required to address the long term structural deficit that had built over a number of years caused by flat levels of income and steady increases in costs. To make the necessary savings the charity focused on three key elements:

- Maintaining the quality of care
- Maintaining the quality of its supporter engagement
- Having support services that were fit for purpose.

Overall the charity achieved 90% of the in-year and ongoing savings together with additional income.

We will provide high quality, safe and effective care and will further develop our service in response to evolving needs

Plans	Achievements
1.1 Review our services to ensure we have a sustainable and affordable care service that continues to support and care for our families	As part of the work on reducing costs of the care service the Director of Care, together with the senior care leadership team, undertook a review of the care service using best practice NICE guidance, to identify the priorities for care and the key interdependencies that exist between services. This work was then used to inform the changes in services that were needed, whilst at the same time adding value to families where we were able.
1.2 Co-design changes to the service following the outcome of the recently completed family survey	<p>We used information gained from the family survey to make many improvements to the experience of our families. For example, families told us that it was not clear how families were chosen for special events. We therefore made changes to our processes to ensure greater transparency and equity by using family group emails. We also used this information when designing the new programme of group work. We recognised that bereaved families were not included in the initial survey, so we went on to develop a specific survey for this group which is being circulated in May 2018.</p> <p>Additionally, we held meetings and engaged with families to discuss the changes we were planning to our services, as part of the financial control measures. We listened to their stories and the difficulties they were experiencing with navigating through the Education Health and Care Planning system and from this information we developed the new role of family advocacy worker.</p>



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report - Achievements and performance (continued)

We will provide high quality, safe and effective care and will further develop our service in response to evolving needs

Plans	Achievements
1.3 Complete the Christopher's refurbishment	The Christopher's refurbishment was completed on budget and on time at an overall cost of approximately £350k. We would like to thank ICAP and the other donors that funded this project plus corporate supporters 'Area' for organising the refurbishment including completing the work on the new reception area at no cost to us to achieve a modern, safe but ultimately homely feel to the hospice.





Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report - Achievements and performance (continued)

We will provide high quality, safe and effective care and will further develop our service in response to evolving needs

Plans	Achievements
1.4 Embed NICE palliative care guidelines	In 2017/18 we benchmarked our clinical services against the quality standards of the NICE guidance for end of life care for children and young people. The benchmarking was very positive, with the majority of the quality standards being fully met. However it did identify areas where more cross services work would be helpful for our families. As an outcome we have drawn up our care business plan and priorities for care for the next financial year based on our findings. An example of this is “providing the choice of place of death for all families”. This work will involve the wider health services working as partners.
1.5 Review care allocations	The review of care allocations has started with us partnering with local authorities and supporting families to undertake the Education Health and Care plans. From this work we have agreed to fully honour the needs-based reviews undertaken by our partner organisations. Culturally we are shifting as a care service from arbitrary care allocations to a responsive needs led model.
1.6 Devise and implement an electronic system for incident and accident reporting	We had planned to integrate this system into The Care Database. However, the focus of the developments on the Care Database in the year was on key aspects of pre-planned functionality and thus this objective was not achieved. This is now planned for the coming year.



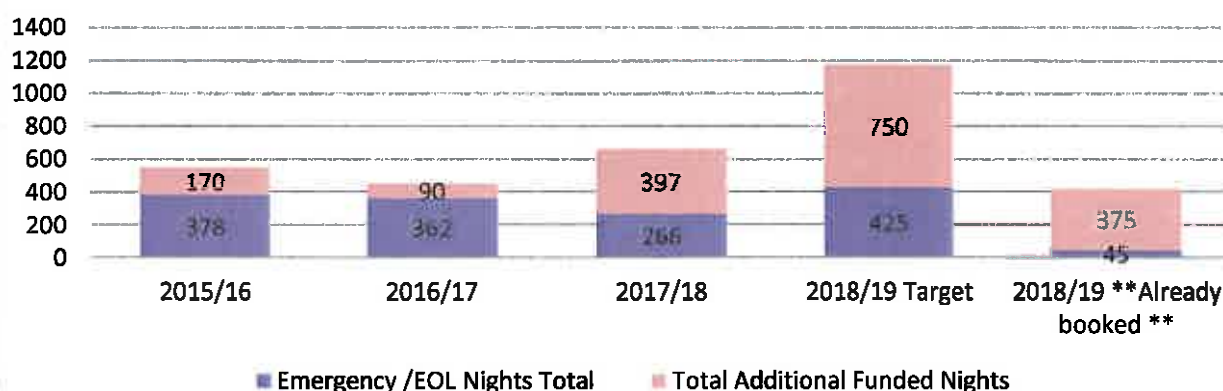
Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report - Achievements and performance (continued)

To increase the income and awareness we need to maintain and develop the care service we provide

Plans	Achievements
2.1 Increase statutory income to sustainable levels comparable with other hospices	<p>The charity began a statutory income campaign with the 16 Local Authorities and Clinical Commissioning Groups (CCGs) in its area. This involved meeting representatives of each of these Local Authorities and explaining the financial situation of the charity and the need for on-going funding of respite care.</p> <p>As a consequence of this, we ended the year with 397 Additional Funded Nights – an increase of 341% on the previous year. This has represented a major cultural shift in the way that the hospices are used by families and statutory agencies and will need to continue to be used, for the target in 2018/19 of 750 respite funded nights to be achieved.</p> <p>The additional funded nights have meant that families with assessed needs can be given more flexibility in their bookings which has been very positive for their children and themselves.</p> <p>Whilst the overall numbers of nights increased, Emergency End of Life funded nights decreased to levels not seen in recent years. These nights of care cannot be planned for by their nature. Overall this meant that overall statutory funding was broadly at similar levels to the prior year – see below.</p>

Emergency and Additional Funded Nights 2015-2019



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report - Achievements and performance (continued)

To increase the income and awareness we need to maintain and develop the care service we provide

2.2 Open three additional shops

Two new shops were opened in the year in Fulham and Chiswick. Overall the retail chain performed exceptionally well with income increasing 25% to over £1m for the first time and net profits increasing 40% to close to £200k. Our Fulham shop was opened earlier this year by one of our Patrons Dame Joan Collins, see below.



2.3 Obtain insight into our donors and supporters to use this information to target new supporters, develop and monitor KPIs

Based on the information that we hold, we completed a review of our existing donors looking at certain factors including where they are and when they give. We are now monitoring this information on an ongoing basis.

We also completed an awareness survey in our area which highlighted patchy awareness with a correlation to the geography of where our donors are located. We also discovered that whilst there may be knowledge of the charity, this did not translate into knowledge of what the charity did.

This work will now be used to review our overall marketing strategy to see how we can make more people aware of the charity and what it does and thus increase donations.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report - Achievements and performance (continued)

To increase the income and awareness we need to maintain and develop the care service we provide

<p>2.4 Review the structure of the fundraising department so they are set up properly to support the fundraising strategy and are within the resources available</p>	<p>There were two key drivers that led to the review of the Fundraising Team structure in 2017- the organisational funding gap and the need for effective delivery of the Fundraising Strategy.</p> <p>The Fundraising Team was last restructured in 2015 based on recommendations from an external fundraising consultant and review of activity. At this time there was no fundraising strategy in place and therefore, the structural change decisions were based without strategic foundations. Our team strategy was agreed by the Board in February 2017 and highlighted key operational issues, challenges, blockers to progress and where development is required to fully maximise productivity, including the need to ensure the team is continually 'fit for purpose' through regular optimisation reviews. The Fundraising Team restructure achieved:</p> <ol style="list-style-type: none"> 1. A resource infrastructure based on strategic planning foundations and able to drive forward the achievement of long-term plans. 2. Increased financial accountability and transparency – every fundraiser has clear and measurable targets. 3. More effectual engagement of target audiences, acknowledging different supporter needs, through a supporter-led approach to all activity. 4. Strengthened key income growth areas. 5. Increased focus on experience and skill-set of the fundraising senior management team, the quality of this not being reduced with cross-team operational management. 6. Further clarity on individual supporter engagement – with low, middle and high level programme accountability. 7. A more effective Supporter Care Services team, who are more supporter facing and financially accountable for the first time. The Manager role has been elevated to 'Head of' status to reflect the importance of supporter care for future sustainability and growth. <p>We are confident that the team review and restructure, supported effectively by identified key enablers across the organisation, will deliver the Fundraising Strategy, strengthen activity and provide solid foundations for future growth.</p>
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Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report - Achievements and performance (continued)

To increase the income and awareness we need to maintain and develop the care service we provide

<p>2.5 Ensure SSC fundraising, marketing and database operations are in accordance with GDPR</p>	<p>A GDPR review was completed that indicated that our existing practices of obtaining consent and not transferring donor information to other charities or organisations were largely best practice.</p> <p>We also determined that we cannot be complacent on this issue and will need to continue to balance obtaining consent from donors mindful of our legitimate interest to fundraise, which forms the majority of the income of the charity.</p>
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To attract, retain and develop people with the right skill set who will deliver our strategy and share our values. We want all our people – staff and volunteers – to feel valued for the work they do.

Plans	Achievements
<p>3.1 Review our strategy for attracting and managing volunteers</p>	<p>We completed a number of actions including introducing the Duke of Edinburgh scheme participants to increase age diversity, updating our volunteer management programme and organising events for prospective volunteers. The overall strategy will be updated in 2018.</p>
<p>3.2 Scope and implement an HR information system</p>	<p>The scope is to identify, purchase and migrate to a new HR Information System (HRIS) and Applicant Tracking System (ATS) fit for purpose for SSC, reduce the HR team's reliance on manual processes and show an improvement in meaningful KPI reporting which in turn will contribute to the attraction, engagement, development and retention of staff. This work was on hold for the last financial year due to the organisation wide change programme and is now planned to be completed in 2018/19.</p>



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report - Achievements and performance (continued)

To further develop our role as a key driver of innovation and best practice in children's hospice and palliative care.

Plans	Achievements
4.1. Implement the new care database using revised care plans	The implementation of The Care Database occurred on time in April 2017. The system allows for easy entry of patient details, care plans and notes on tablets. The system was run successfully during the year and design issues and minor bugs dealt with effectively by the project team and the developers.
4.2 Market new care database and implement with three new hospices	Developing the legal, financial and contractual frameworks for the new system took longer than expected and thus the implementation to new hospices was delayed until April 2018. Seven hospices have signed contracts for the new system to date ensuring the commercial and financial viability of the system.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report – Plans for the coming year

The key plans for the coming year are:

We will provide high quality, safe and effective care and will further develop our service in response to evolving needs

- **Achieve NICE Quality Standards:**

- i) Review our Hospice at Home provision and work with other providers to enable home as a real choice of place of death for children and young people. 24 hour availability of nursing in the community
- ii) Review the model for antenatal and neonatal referrals and potential for link nurse
- iii) Care workforce model review – retention, resilience and engage with Burdett programme

- **Learning Organisation:**

- i) Automate the recording accidents and incidents
- ii) Formalise care aspects of risk management for the Care Database

- **Lead change, add value:**

- i) Review model of groups and support
- ii) Deliver 750 nights of respite funded care and 425 nights of funded emergency care

- **Enhance care through Clinical Informatics:**

- i) Complete the implementation of the Care Database internally
- ii) Develop Clinical Informatics role

- **Move to responsive care model:**

- i) User feedback – bereaved family survey, gain views from children and young people
- ii) Develop family link worker role
- iii) Develop needs based assessment linked to allocations
- iv) Transition – review and develop model towards the young person as an adult



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Strategic report – Plans for the coming year (continued)

To increase the income and awareness we need to maintain and develop the care service we provide

- Fundraising team consolidation
- Develop five year fundraising income and investment plan
- Develop and implement fundraising data analytics processes and reporting system for comprehensive performance monitoring and to inform decision making
- Strategic review of legacy fundraising and marketing activity and implementation of long-term campaign
- Develop SSC supporter journey to maximise lifetime value of all supporters
- Effective management of fundraising project investments to maximise opportunity and profitability
- Develop the marketing strategy, aligned with the fundraising strategy
- Review processes for care invoicing
- Open 3 new shops

To attract, retain and develop people with the right skill set who will deliver our strategy and share our values. We want all our people – staff and volunteers – to feel valued for the work they do.

- Develop a people strategy
- Develop and agree a volunteer strategy
- Review the pay policy for care and non-care staff
- Implement HRIS – Human Resource Information System and ATS – Applicant Tracking System

To further develop our role as a key driver of innovation and best practice in children's hospice and palliative care.

- Further develop Care Database marketing, looking at new markets
- Implement Care Database externally with 5 hospices
- Look at areas of collaboration with regards to the implementation of the Care Database



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Financial review

Over the last few years, we have expanded our care service to meet demand and support more children with life-limiting conditions, and their families. We now support nearly 800 families, a significant increase since merging in 2011. We have also expanded the range of services available to ensure families receive the care they need but rarely get without the support of Shooting Star Chase. At the same time complexities of the conditions of the children we care for have increased, requiring greater staffing levels and expertise.

We have achieved these additional amounts of care with low annual increases in costs however our income levels had not matched these increases in costs. As highlighted last year trustees reviewed this model and instructed management to seek additional forms of sustainable income or reductions in expenditure totalling £1.25m and in year savings of approximately £600k. Steps put in place to address this included increasing statutory income levels, marketing The Care Database to third party hospices and other care organisations and increasing retail income, whilst also looking at a range of cost reductions across the organisation, including staff benefits.

The aim of the cost reduction exercise was to maintain the safety and quality of the care and support services provided by the charity but needed to accept that the scope of the services provided would be affected.

Overall the savings project was successful with 90% of the targeted savings in year and ongoing were found despite a significant shortfall in legacies from previous trends.

Overall total income increased by 23% from £7,941,049 in 2016/17 to £9,731,725 in 2017/18. This included £1,449,087 from the profit on the sale of Bridge House, the charity's head office, in July 2017. Total expenditure reduced by 2% from £9,977,680 in 2016/17 to £9,744,822 in 2017/18.

Cost of generating funds reduced by 12% from £1,579,433 in 2016/17 to £1,414,227 in 2017/18. This represents 16% of donor income, which compares favourably to similar charities of our size and scope.

Care expenditure decreased by 6% from £7,669,464 to £7,226,073. Care support costs expenditure increased by £3,622.

Other support costs increased by 14% from £1,786,591 to £2,033,336. This includes rent for Bridge House of £151,694 following the sale and leaseback of the building in July 2017. The charity aims to keep these costs as low as possible whilst retaining a safe and efficient environment for the delivery of care.

Net unrestricted income (before transfers and movements on investments and investment property) amounted to £278,992 (2017: expenditure of £2,036,631). If unrestricted depreciation and amortisation of £507,158 (2017: £453,208) were excluded the charity would have made a surplus of £786,150 versus a deficit of £1,583,423 in the prior year. The charity had budgeted for a deficit in the year of £1,479,570 excluding depreciation.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Financial review (continued)

Additionally the charity released reserves by completing a sale and 10 year leaseback of its Bridge House administrative offices in Addlestone, Surrey. This freed up reserves to cash in order for the charity to maintain its operations allowing for certain levels of income risk.

The financial model of the charity still contains significant risks, as the charity is more heavily reliant on income from fundraising than other children's hospices around the country, which have far greater sustainable financial support from statutory sources. Fundraising income by its very nature is volatile and in the past Shooting Star Chase has been reliant on large one off donations and legacies to support its work.

A deficit budget has been set again but considerably lower levels for 2018/19 however a return to breakeven is planned overall for 2019/20 and 2020/21. This remains challenging particularly in light of the recent NHS salary award which the charity is committed to match in order to attract and retain staff.

Reserves policy

Total reserves amounted to £13,335,888. This was made up of five elements:

Restricted funds

Restricted funds amount to £170,070 and represent unspent funds at the end of the year. Each restricted fund is spent as quickly as possible in compliance with the restrictions under which it has been given.

Endowed funds

This related to funds donated under the understanding that income would be used to support our services. These amounted to £59,434 at the year end.

Fixed Asset funds

Fixed Asset funds are used to record the properties owned and used by the charity. These properties related to the two hospice sites owned by the charity (Christopher's and Shooting Star House). These funds amounted to £5,193,343 at the year-end.

Non charitable subsidiary reserves

These amount to £978,831. Of this £21,801 is held so Shooting Star Marketing Ltd the trading subsidiary which largely functions as a retail operation can have working capital to continue activities. The remaining £957,030 is held so CHASE Hospice Trading Ltd, the trading subsidiary has capital for the operation of marketing and selling the new care database.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Reserves policy (continued)

General funds

General funds are the funds of the charity that can be used to maintain stability to the operations allowing for increases or decreases in income. The policy for holding general reserves has been established by the trustees taking account of the following long-term considerations:

- The long-term commitment to care that we undertake to our beneficiaries, which can extend over a period of 19 years;
- The commitment we have as an employer, for the job security of our staff, bearing in mind the large proportion of our expenditure that is in staff costs;
- The substantial fluctuations in annual income from supporters;
- The need to fund increases in demand from children and families; and
- The objectives set as part of the strategic review.

The reserves of the charity are regarded as having three layers each set at approximately three months of planned gross operating expenditure (so before any account is taken of incoming revenues):

The first layer is intended to smooth out limited and temporary shortfalls in income to provide funds to protect services at current levels and/or to make further investment in fundraising. The funds for this layer are held in bank current accounts and short-term cash deposits (up to six months), and immediately realisable short dated UK gilts.

The second layer would allow the charity to conduct a measured reduction in expenditure when a fall in income appears to be of a substantial or longer-term nature. The funds for this layer are held in medium/long-term cash deposits (up to 18 months) and/or liquid UK blue chip equities.

The third layer is held to avoid the need to take an excessively cautious stance whilst rebuilding reserve levels following expenditure cuts and provides a strategic minimum reserve fund. The funds for this layer are invested in gilts or equities, with a view to long-term growth but with limited downside risk.

Total Reserves Objective and actual reserves

The target level of Shooting Star Chase reserves is thus set at between 6 and 9 months cash operating expenditure (excluding depreciation). Actual free (general fund on the balance sheet) reserves at the year end stood at £6,894,510 (2017: £4,962,524). This represented 9.5 months (2017: 6.1 months) of expenditure. The actual reserves are thus in line with the policy of the charity

The budget for 2018/19 has been set at a deficit which would see reserves drop within the 6-9 month target range. Longer term forecasts also indicate reserves will be maintained within the 6-9 month target range.

Report of the Trustees for the Year Ended 31 March 2018 (continued)

Reserves policy (continued)

Investment Policy, Objectives and monitoring

The Investment Objectives are to ensure that the charity's surplus funds are invested to produce a market rate of return consistent with the obligation to meet immediate financial needs and to take account of future spending commitments, possible unplanned changes in activities and the general economic outlook. Any additional funds are invested to provide income and long-term growth within the charity's risk profile.

The attitude to risk is formally described as being a low to medium risk profile, recognising the need to diversify risk across institutions and asset classes. The investment managers are targeted with a total of 6% annual net return on a long term basis. For liquidity to be guaranteed in the portfolio the charity aims to keep £0.5m in short dated UK gilts.

Bank accounts and deposit amounts may only be held with major UK banks, which have been specifically approved by the Board and not more than £3 million (or 50% of the total General Reserves, whichever is the lesser) with any one bank group. High risk investments such as traded options and futures are prohibited.

The amount available for investment will be as determined in the Reserves Policy. To account for ethical considerations the charity will not invest in any organisation where there is a practical conflict with our aims and activities and will avoid investments which may hamper our work by making potential beneficiaries unwilling to use the services of the charity, or that would alienate significant support. The charity does not consciously make any investments in the armaments, tobacco or pornography industries. Investment decisions are the responsibility of the Board who also agree the Investment Policy. However, the Board delegates management of part of the investments to an approved investment adviser, in accordance with an agreement approved by the Board, and delegates to the Finance and Resources Committee the monitoring of investment performance and the management of the remaining part of the portfolio, which is held in cash and near cash deposits with financial institutions approved by the Board. The Committee meets with the Fund Managers twice a year to review performance and investment objectives.

Equities should not represent more than 65% of total investments at any time, which the trustees are advised is consistent with the majority of similarly sized charity investment portfolios and investment mandates.

The charity uses the services of WM performance services to assist in evaluating the performance of the portfolio. The return on the portfolio during the year was measured at 3.8% versus the benchmark of 1.9%. The trustees are mindful of the uncertain times and are regularly reviewing the performance of the investments with the investment managers.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Risk management

The trustees are responsible for the effective management of the range of risks that apply to the operation of the charity, including ensuring that internal controls are in place and operating as intended. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them.

As part of our Clinical Governance processes we hold a clinical risks register which is scrutinised by the Clinical Governance Committee and ultimately the Board. A separate risk register is maintained for non clinical risks, which is regularly reviewed by the Finance and Resources Committee and periodically by the Board. The overall risk register undergoes operational review and updates monthly taking mitigating action as required to reduce and control the risks. The highest risks for the year 2017/18 are included below;

A. Clinical Risks

Risk of dispute over treatment or handling of any young person

With the current climate of media interest in healthcare, the speed and reach of social media and higher expectations from families in general, we acknowledge that the high risk care we provide carries a risk of disagreement or dispute. In order to mitigate these risks we work in partnership with families as much as possible and ensure high quality clinical governance processes including responses to family concerns or complaints and post incident reviews. We also have support and clinical governance from a Paediatric Palliative Care consultant.

Failure to keep and update family records properly.

Following the implementation of the new Care Database system, we continue to carry a moderate risk in maintaining family records due to the risk of unexpected errors or failures due to lack of knowledge and experience of the new system. We have introduced a system for reviewing incidents relating to the care database and have implemented mitigating measures to address any concerns as they arise to ensure the safety of patients. Downtime procedures have been implemented and a new policy drafted.

Report of the Trustees for the Year Ended 31 March 2018 (continued)

B. Non-Clinical Risks

Organisational financial challenges

As stated above, the year ended 31st March 2018 was a difficult one for the charity, which involved making significant expenditure reductions in year and on an ongoing basis.

The key risks the charity faces continue to relate to its financial model with its high reliance on fundraising, with only 10% of expenditure being derived from statutory funding.

The charity is successful in its fundraising raising £6.5m in the current year in the face of stiff competition for both supporters and staff from other charities and children's hospices in a difficult fundraising environment. However, fundraising income whilst incredibly important to the charity does not provide the certainty of income the charity needs to guarantee the essential services it does each year. An example of this is that while the number of legators had increased in the year, legacy income decreased 38% in the year to £668k. We are grateful though to some key individual supporters who have ensured the charity can continue to provide the range of our services, albeit at lower scope than in previous years.

The central grant received from NHS England statutory income has been static for a number of years and only covers 6.5% of expenditure. The remaining statutory income is derived from spot purchasing from Local Authorities, Clinical Commissioning Groups (CCGs) and personal budgets which is, in itself, unpredictable. This was seen in the current year that, whilst overall funded respite nights substantially increased during the year, funded emergency nights have reduced, leading to an overall slight reduction in statutory income.

The charity's strategy in recent years has been to diversify income away from core fundraising towards predictable longer term forms of income, such as income from retail operations and The Care Database. However these commercial operations carry their own significant financial and operating risks.

Overall there remains a risk of providing sufficient income to provide the essential services the charity provides.

Database delivery to other hospices and health care organisations

The charity itself has successfully and safely adopted The Care Database over the last year and the charity's wholly owned subsidiary, Chase Hospice Trading Ltd, has now signed contracts to deliver the database to seven other hospices and healthcare organisations.

It is critical to the success of the system that these installations are completed successfully and the focus on resourcing in the current year will be to facilitate this.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Structure, governance and management

Trustees' responsibilities

The trustees (who are also directors for the purposes of company law) are responsible for preparing the trustees' report and financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make him/her aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Internal control effectiveness

The systems of internal controls are designed to provide reasonable, but not absolute, assurance against material mis-statement or loss. They include:

- An annual budget approved by Board of Trustees
- Regular forecasts to predict the likely outcome for the financial year
- Regular monitoring of actual performance against budgets and forecasts
- Delegation of authority to managers for expenditure within budget limits
- Segregation of duties
- Identification and management of risk
- Its assets are safeguarded against unauthorised use or disposition
- Proper records are maintained and financial information used within the charity or for publication is reliable
- The charity complies with relevant laws and regulations
- A system of effective clinical governance is in place

Structure, governance and management

Shooting Star Chase is a registered charity and is incorporated as a charitable company limited by guarantee. It is governed by its Memorandum and Articles of Association and is controlled by the Board of Trustees. The Board of Trustees meet at least quarterly to monitor progress and to take decisions concerning the strategic direction of the charity. Board meetings are also attended by the Chief Executive.

The Chief Executive is appointed by the Board of Trustees to manage the day-to-day operations of the charity. All trustees give their time voluntarily and receive no benefit or remuneration from the charity.

During the year there were three operating sub-committees of the Board whose work is to link governance more closely to the clinical services provided by the charity and to enhance risk management and audit across the organisation. These are the Finance and Resources Committee, the Care Advisory Sub-Committee, the Quality Governance and Risk Committee and the Fundraising, Marketing and Communications Sub-Committee, each of which meets four times a year. Individual trustees are appointed as Lead Trustees to each of these areas. Responsibility for oversight of each item in the charity's Risk Register has been devolved to the appropriate committee to ensure that systems and procedures are in place, and are kept up to date, in order to monitor and mitigate exposure to those risks.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Structure, governance and management (continued)

New trustees are recruited to the Board in order to ensure that collectively the Board has the proper range of skills and competencies. Induction and training procedures for new trustees include individual briefings by other trustees and by senior management together with an ongoing section of the Trustee meetings which examines separately an area of the charity's activities in depth. An annual away day looks at the broader charity and hospice environment with its related challenges.

The Board approves the annual operational plan and a detailed budget, following initial scrutiny by the Finance and Resources Committee. The staff of the charity are authorised to work within the framework of the operational plan and budget, under the direction of the Chief Executive. The trustees receive regular reports from the Chief Executive and senior managers, comprising a range of service-related, financial and other written information to enable them to measure the charity's performance against specific budgets, targets and objectives for the year. The Chief Executive meets collectively with operational directors monthly as members of the Organisational Leadership Team (OLT).

Shooting Star Chase has two subsidiary companies. Shooting Star Marketing Limited, a company limited by guarantee, is engaged in the sale of merchandise and donated goods via the charity's own managed charity shops and the sale of Christmas cards. Chase Hospice Trading Limited is managing the development and service delivery of The Care Database.

Shooting Star Chase also owns 50% of Tuckwell Chase Lottery Limited under the terms of a joint venture agreement with Phyllis Tuckwell Memorial Hospice Limited. The charity has three seats on the board and the Chairman is a Trustee of Shooting Star Chase on rotation.



Report of the Trustees for the Year Ended 31 March 2018 (continued)

Structure, governance and management (continued)

Key management personnel

The key management personnel of Shooting Star Chase, responsible for directing and controlling the operations of the charity on a day to day basis, comprise the trustees and members of the Operational Leadership Team. The Operational Leadership Team is defined as follows:

Acting Chief Executive	Piers Vimpany
Director of HR	Patricia Mbasani
Director of Care	Helen Sibley
Director of Fundraising Development	Karen Sugarman
Director of Fundraising Operations	Sally Wells
Director of Finance and Resources and Company Secretary	Piers Vimpany
Interim Director of Communications and Marketing	Gill Greenwood

The remuneration of the Operational Leadership Team is benchmarked via reference to similar roles within other organisations of a similar scope and size taking account of differing levels of responsibility. Any variations in remuneration are approved by the trustees.

Approved by the trustees on 24th July, 2018 and signed on their behalf by:


Kenneth Hanna
Chairman



Independent auditor's report to the members of Shooting Star Chase

Opinion

We have audited the financial statements of Shooting Star Chase (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2018 which comprise the group statement of financial activities, the group and charitable parent company balance sheets and the group statement of cash flows, the principal accounting policies and the notes to the financial statements. 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).

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.

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 March 2018 and of the group's 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.

Independent auditor's report to the members of Shooting Star Chase (continued)

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 charitable parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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' report (including the strategic report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (including the strategic report) has been prepared in accordance with applicable legal requirements.

Independent auditor's report to the members of Shooting Star Chase (continued)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the charitable parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report (including the strategic 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 parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent 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.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees 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 charitable parent 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 charitable parent company or to cease operations, or have no realistic alternative but to do so.

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.



Independent auditor's report to the members of Shooting Star Chase (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

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.

Buzzacott LLP

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

3 September 2018



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Including Income and Expenditure Account) For the Year Ended 31 March 2018

	Notes	Un- restricted Funds £	Restricted Funds £	Endowed funds £	Total 2018 £	Total 2017 £
Income and endowments from						
Donations and legacies	2	4,043,342	387,409	500	4,431,251	4,450,675
Other trading activities						
Retail and other income		1,082,149	-	-	1,082,149	862,583
Lottery income		53,798	-	-	53,798	7,483
Events and other income		1,157,579	-	-	1,157,579	827,248
	3	2,293,526	-	-	2,293,526	1,697,314
Investment income	5	144,235	-	-	144,235	260,585
Charitable activities						
NHS England Grants	4		640,107	-	640,107	640,107
Other grants	4	357,877	-	-	357,877	399,648
		357,877	640,107	-	997,984	1,039,755
Other income:						
Net interest in the results of the joint venture		311,581	-	-	311,581	380,039
Other income	6	1,553,148	-	-	1,553,148	112,681
Total income and endowments		8,703,709	1,027,516	500	9,731,725	7,941,049



Expenditure on:	Notes	Un- restricted Funds £	Restricted Funds £	Endowed Funds £	Total 2018 £	Total 2017 £
Raising funds						
Costs of generating donations		1,414,227	-	-	1,414,227	1,579,433
Costs of managing investments		17,607	-	-	17,607	21,544
Trading activities		1,086,915	-	-	1,086,915	707,239
Net income available for charitable application		<u>2,518,749</u>	<u>-</u>	<u>-</u>	<u>2,518,749</u>	<u>2,308,216</u>
Expenditure on charitable activities						
Hospice care		3,355,122	1,105,078	-	4,460,200	4,422,909
Hospice at home		1,053,923	72,951	-	1,126,874	1,459,964
Therapy		515,234	12,715	-	527,949	628,200
Practice education & quality		305,781	11,700	-	317,481	368,444
Care support costs		793,569	-	-	793,569	789,947
Total charitable expenditure		<u>6,023,629</u>	<u>1,202,444</u>	<u>-</u>	<u>7,226,073</u>	<u>7,669,464</u>
Total expenditure	7	<u>8,542,378</u>	<u>1,202,444</u>	<u>-</u>	<u>9,744,822</u>	<u>9,977,680</u>
Net income/(expenditure) before transfers and investment gains / (losses)	8	161,331	(174,928)	500	(13,097)	(2,036,631)
Net gains on investment assets	13	28,010	-	-	28,010	610,367
Net gain on sale of investment property	13	89,651	-	-	89,651	-
Net income/(expenditure) and net movement in funds		<u>278,992</u>	<u>(174,928)</u>	<u>500</u>	<u>104,564</u>	<u>(1,426,264)</u>
Fund balances at 1 April 2017		12,827,392	344,998	58,934	13,231,324	14,657,588
Fund balances at 31 March 2018	21	<u>£13,106,384</u>	<u>£170,070</u>	<u>£59,434</u>	<u>£13,335,888</u>	<u>£13,231,324</u>

The notes form part of these financial statements. All of the charitable company's activities during the above two financial periods derived from continuing operations. The charitable company has no recognised gains and losses other than those shown above.



GROUP AND CHARITY BALANCE SHEETS at 31 March 2018

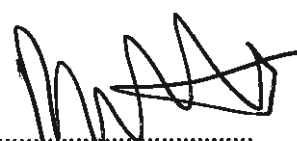
	Notes	Group 2018 £	Group 2017 £	Charity 2018 £	Charity 2017 £
Fixed Assets					
Intangible assets	11	744,779	610,048	39,700	46,642
Tangible assets	12	5,193,343	6,033,643	5,131,129	5,997,913
Fixed asset investments	13	3,552,206	4,679,288	3,552,206	4,679,288
Investment in subsidiary		-	-	1,063,409	563,409
		<u>9,490,328</u>	<u>11,322,979</u>	<u>9,786,444</u>	<u>11,287,252</u>
Current Assets					
Debtors	14	1,174,469	1,166,228	1,636,034	1,119,050
Cash at bank		3,456,642	1,283,376	2,736,804	1,219,488
		<u>4,631,111</u>	<u>2,449,604</u>	<u>4,372,838</u>	<u>2,338,538</u>
Creditors - Amounts Falling Due Within One Year	15	(785,551)	(541,259)	(738,818)	(528,947)
		<u>3,845,560</u>	<u>1,908,345</u>	<u>3,634,020</u>	<u>1,809,591</u>
Net Current Assets		<u>3,845,560</u>	<u>1,908,345</u>	<u>3,634,020</u>	<u>1,809,591</u>
Net Assets		<u>£13,335,888</u>	<u>£13,231,324</u>	<u>£13,420,464</u>	<u>£13,096,843</u>
Funds of the Group/ Charity					
Restricted funds	17	170,070	344,998	170,070	344,998
Endowment funds	18	59,434	58,934	59,434	58,934
Tangible Fixed Asset fund	19	5,193,343	7,166,976	5,131,129	7,131,246
General funds	21	6,934,210	4,962,524	8,059,831	5,561,665
Non-charitable subsidiary reserves	10	978,831	697,892	-	-
		<u>£13,335,888</u>	<u>£13,231,324</u>	<u>£13,420,464</u>	<u>£13,096,843</u>

The notes form part of these financial statements.

These Financial Statements were approved by the Board of Trustees on 24th July, 2018 and were signed on their behalf by:



 Ken Hanna – Chairman



 Paul Boughton – Treasurer

Company registration number 02927688 (England and Wales).



CONSOLIDATED STATEMENT OF CASHFLOWS

For the Year Ended 31 March 2018

		2018		2017	
	Notes	£	£	£	£
Net cash flows from operating activities					
Net cash used in operating activities	22		(893,177)		(1,593,212)
Cash flows from investing activities					
Dividends, interest and rents from investments	5	144,235		260,585	
Payments to acquire intangible assets	11	(208,659)		(610,048)	
Payments to acquire tangible fixed assets	12	(415,171)		(190,222)	
Receipts from sale of tangible fixed assets		2,301,295		-	
Receipts from disposal of investment assets	13	1,222,984		-	
Payments to acquire investments	13	(735,199)		(1,393,540)	
Receipts from disposals of investments	13	800,949		2,677,652	
Net cash provided by/(used in) investing activities			3,110,434		744,427
Change in cash and cash equivalents in the year			2,217,257		(848,785)
Cash & cash equivalents at 1st April 2017	23		1,301,223		2,150,008
Cash & cash equivalents at 31st March 2018	23		£3,518,480		£1,301,223

The notes form part of these financial statements.

Notes to the Financial Statements for the Year Ended 31 March 2018

1. ACCOUNTING POLICIES

The following accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are set out below:

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

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) ('Charities FRS 102 SORP 2015'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Basis of consolidation

The group financial statements consolidate the financial statements of the parent company and its subsidiary undertakings for the year ended 31 March 2018. Investments in joint ventures (where the group holds an interest on a long-term basis and is jointly controlled by the charitable company and one or more other ventures under a contractual arrangement) are included in the group financial statements using the 'equity' method. The group discloses its share of joint ventures' operating result in the consolidated statement of financial activities and its share of the gross assets and liabilities in the consolidated balance sheet.

In the charitable company's financial statements, investments in subsidiary undertakings are stated at cost.

No separate Statement of Financial Activities (SOFA) has been presented for the charity alone as permitted by the Companies Act 2006 and the SORP. All amounts within these financial statements relate to the group unless otherwise stated. The charity has taken advantage of the exemption under FRS102 section 33.1 not to disclose transactions between group companies.

Critical accounting estimates and areas of judgement

The most significant area of judgement that affects items in the accounts are the estimates involved in the recognition of legacy income, analysing revenue and expenditure between restricted and unrestricted fund and the valuation of the investment property. The methods of valuation are outlined below.



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

1. ACCOUNTING POLICIES (continued)

Critical accounting estimates and areas of judgement (continued)

The items in the accounts where these judgements and estimates have been made include:

- estimating the useful economic life of intangible fixed assets;
- estimating the useful economic life of tangible fixed assets;
- determining the basis for allocating support costs;
- accounting for legacy income;

Going concern

The trustees have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of one year from the date of approval of these financial statements.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2019, the most significant areas that affect the carrying value of the assets held by the charity are legacy recognition, the level of investment return and the performance of the investment markets.

Income

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period. Income comprises donations, legacies, grants, interest receivable and investment income.

Grants and donations from government and other agencies and charitable foundations are included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

1. ACCOUNTING POLICIES (continued)

Income (continued)

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having being transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Joint venture

The basis on which the group's 50% interest in Tuckwell CHASE Lottery Limited is included within the group financial statements is described under basis of consolidation above.

Expenditure and the basis of apportioning costs

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to make a payment to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds include the salaries, direct costs and support costs associated with generating donated income, together with the fees paid to investment managers in connection with the management of the charity's listed investments.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs including governance costs.



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

1. ACCOUNTING POLICIES (continued)

Expenditure and the basis of apportioning costs (continued)

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect of compliance with regulation and good practice.

Support costs and governance costs are apportioned using percentages based on the time spent on the activities by the employees of the charity. Retail support costs are calculated with reference to the annual management charge determined as reasonable made by the charity to the retail operation for reimbursement of central costs.

Pension costs

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 8. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions. Outstanding contributions at the year end were £24,361 (2017: £57,363).

Taxation

SSC is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost or valuation less amortisation. Amortisation is provided at rates calculated to write off the cost of each asset over its expected useful life. The amortisation rates in use are as follows:

Capitalised development costs	10% per annum straight line
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Notes to the Financial Statements for the Year Ended 31 March 2018 *(continued)*

1. ACCOUNTING POLICIES *(continued)*

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:

Freehold land is not depreciated	
Freehold property	4% per annum straight line
Leasehold property	Straight line over period of lease
Furnishings, fixtures and fittings and building improvements	10% per annum straight line
IT systems and equipment	33% per annum straight line
Motor vehicles	25% per annum straight line

Assets costing less than £2,000 are written off to expenditure in the year of acquisition. Assets under construction are not depreciated until the asset is brought into use.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above, the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Investment properties are initially measured at cost and subsequently measured at fair value at the balance sheet date using a value determined by an external valuation.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

1. ACCOUNTING POLICIES (continued)

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year will be disclosed as short term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowed funds are given to be held for the longer term and the income be used to fund the activities of the charity.

Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

2. DONATIONS AND LEGACIES

	Unrestricted	Restricted	Endowed funds	2018	2017
	£	£	£	£	£
Donations and gifts	3,375,469	387,409	-	3,762,878	3,390,958
Legacies	667,873	-	500	668,373	1,059,717
2018	<u>£4,043,342</u>	<u>£387,409</u>	<u>£500</u>	<u>£4,431,251</u>	<u>£4,450,675</u>
2017	<u>£3,852,196</u>	<u>£558,295</u>	<u>£40,184</u>	<u>£4,450,675</u>	

3. OTHER TRADING ACTIVITIES

	2018	2017
	£	£
Lottery	53,798	7,483
Challenge events/Marathon	644,330	480,043
Other events	326,840	257,473
Other income	186,409	89,732
Events and other income	<u>1,157,579</u>	<u>827,248</u>
Retail and trading income	<u>1,082,149</u>	<u>862,583</u>
	<u>£2,293,526</u>	<u>£1,697,314</u>

All income from this source was unrestricted in both years.

4. CHARITABLE ACTIVITIES

	2018	2018	2017	2017
	Unrestricted	Restricted	Unrestricted	Restricted
	£	£	£	£
NHS England Grants	-	640,107	-	640,107
Other grants	357,877	-	399,648	-
	<u>£357,877</u>	<u>£640,107</u>	<u>£4,431,251</u>	<u>£4,450,675</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

5. INVESTMENT INCOME

	2018	2017
	£	£
Income from investment property	32,714	110,092
Income from listed investments	106,821	143,220
Interest receivable	4,700	7,273
	<u>£144,235</u>	<u>£260,585</u>

All income from this source was unrestricted in both years.

6. OTHER INCOME

	2018	2017
	£	£
Taxation credit	54,061	112,681
Sale of property	1,499,087	-
	<u>£1,553,148</u>	<u>£112,681</u>

The tax credit relates to a claim for Research and Development expenditure incurred during the year. This expenditure has been recognised as an intangible fixed asset as detailed in note 11.



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

7. COST ANALYSIS

	Staff costs	Premises	Other	Depre- ciation	Allocation of support costs*	2018 Total	2017 Total
	£	£	£	£	£	£	£
Residential care	2,606,004	175,283	400,418	370,919	907,576	4,460,200	4,422,909
Hospice at home care	763,810	2,905	39,064	-	321,095	1,126,874	1,459,964
Therapy	376,877	846	25,296	-	124,930	527,949	628,200
Practice education & quality	221,666	2,976	21,922	-	70,917	317,481	368,444
Care support costs	519,557	10,803	-	-	263,209	793,569	789,947
Costs of generating voluntary income	730,141	-	338,478	-	345,608	1,414,227	1,579,433
Trading activities	382,653	362,020	342,242	-	-	1,086,915	707,239
Management of investments	-	-	17,607	-	-	17,607	21,544
	£5,600,708	£554,833	£1,185,027	£370,919	£2,033,335	£9,744,822	£9,977,680

* Included in support costs are £1,262,178 of salaries costs (2017: £1,270,044) and governance costs of £16,438 (2017: £18,194). Governance costs comprise trustee indemnity insurance and audit fees.

Analysis of expenditure between unrestricted and restricted funds:

	2018 Un- restricted £	2018 Restricted £	2018 Total funds £	2017 Un-restricted £	2017 Restricted £	2017 Total Funds £
Raising funds						
Costs of generating donations	1,414,227	-	1,414,227	1,579,433	-	1,579,433
Costs of managing investments	17,607	-	17,607	21,544	-	21,544
Trading activities	1,086,915	-	1,086,915	707,239	-	707,239
Charitable activities						
Hospice care	3,355,122	1,105,078	4,460,200	3,431,440	991,469	4,422,909
Hospice at home	1,053,923	72,951	1,126,874	1,451,989	7,975	1,459,964
Therapy	515,234	12,715	527,949	597,943	30,257	628,200
Practice education & quality	305,781	11,700	317,481	368,444	-	368,444
Care support costs	793,569	-	793,569	789,947	-	789,947
Total expenditure	£8,542,378	£1,202,444	£9,744,822	£8,947,979	£1,029,701	£9,977,680



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

8. NET INCOME/ (EXPENDITURE) BEFORE TRANSFERS AND INVESTMENT GAINS

	2018 £	2017 £
Net Expenditure is stated after charging:		
Amortisation of intangible assets	71,448	-
Depreciation of tangible fixed assets	455,743	476,537
Operating lease rentals – land and buildings	446,267	215,558
Operating lease rentals – other	8,774	12,022
Auditor's remuneration	15,850	12,000
Payroll bureau	10,194	10,659

9. EMPLOYEES

The average monthly number of total employees and full-time equivalent employees during the year was:

	2018 Headcount	2018 FTE	2017 Headcount	2017 FTE
Hospice care	98	61	108	57
Hospice at home	25	22	33	28
Therapy	15	8	17	10
Practice education & quality	6	5	7	5
Care support costs	20	18	20	18
Activities for generating donations	25	23	30	27
Retail	24	17	21	15
Administration	23	20	23	19
	<u>236</u>	<u>174</u>	<u>259</u>	<u>179</u>

Employment costs

	2018 £	2017 £
Wages and salaries	5,635,217	6,235,861
Social security costs	520,431	579,252
Other pension costs	401,423	470,304
Agency costs	92,369	98,877
Other staff costs	56,069	66,943
Redundancy and termination costs	157,377	-
	<u>£6,862,886</u>	<u>£7,451,237</u>

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

9. EMPLOYEES (continued)

The number of employees whose emoluments in the year were £60,000 or more, were:

	2018 Number	2017 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	1	1
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-

The aggregate pension contribution made by the charity on behalf of higher paid staff was £36,421 (2017: £44,061). Six (2017: Five) higher paid staff accrued benefits in defined contribution pension schemes.

Key management personnel are defined as the trustees and the six members of the Organisational Leadership team. The total employee benefits of the key management personnel of the charity were £576,350 (2017: £579,553).

During the year redundancy and termination payments made by the charity were £157,377 (2017: £nil).

None of the trustees received any remuneration or expenses in respect of their services during the year (2017 - £nil). Trustees' indemnity insurance is included in the overall insurance paid by the charity and cost the charity was £588 (2017: £1,994).

The total amount of donations received from the trustees during the year was £1,708 (2017: £1,719).



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

10. SUBSIDIARY UNDERTAKINGS AND JOINT VENTURES

During the year the charity had four wholly owned subsidiaries, CHASE Hospice Trading Limited (Trading) (Company No. 03379287), CHASE Hospice Projects Limited (Dormant) (Company No. 4034565), Shooting Star Trust Ltd (Dormant Charitable Company) (Company No: 04383311) and Shooting Star Marketing Limited (Marketing) (Company No. 03123517) all of which are incorporated in Great Britain. CHASE Hospice Trading Ltd (Share capital of £1,063,307) is the entity which accounts for the software for the new Care Database, which has been recognised as an intangible asset.

CHASE Hospice Projects Ltd (Share capital of £2) was dissolved on 2 May 2017. Shooting Star Marketing (Share capital £2) undertakes the sale of donated and other goods at eleven shops.

A summary of the results of the subsidiary companies is shown below. Audited financial statements have been filed with the Registrar of Companies in respect of Shooting Star Marketing Ltd and CHASE Hospice Trading Ltd. Shooting Star Trust Ltd was dormant throughout the year and the accounts have therefore not been audited. CHASE Hospice Projects Ltd was dissolved on 2 May 2017 and so no accounts have been prepared.

In addition to the above the Charity also participates in a joint venture, Tuckwell CHASE Lottery Limited which is jointly controlled by Shooting Star Chase and Phyllis Tuckwell Memorial Hospice Limited under the a joint venture agreement the terms of which are that the joint venture will promote a commercial lottery game which aims to generate profits for the benefit of its affiliated charities.

	Shooting Star Marketing Ltd	
	2018	2017
	£	£
Turnover	990,318	803,040
Cost of Sales	(15,852)	(14,420)
Gross Profit	974,466	788,620
Administrative expenses	(863,642)	(692,819)
Operating Profit	110,824	95,801
Gift Aid	(110,824)	(95,801)
Retained Profit	-	-
Net Assets	£21,801	£21,801



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

10. SUBSIDIARY UNDERTAKINGS AND JOINT VENTURES (continued)

	CHASE Hospice Trading Ltd	
	2018	2017
	£	£
Turnover	110,000	-
Cost of Sales	-	-
Gross Profit	110,000	-
Administrative expenses	(383,119)	-
Operating Profit	(273,119)	-
Corporation tax	54,061	112,681
(Loss)/Profit	£(219,058)	£112,681
	2018	2017
	£	£
Net assets	£957,030	£676,088

11. INTANGIBLE FIXED ASSET

GROUP	Intangible asset	Total
	£	£
COST OR VALUATION		
At 1 April 2017	610,048	610,048
Additions	208,659	208,659
Transfer	(2,480)	(2,480)
At 31 March 2018	£816,227	£816,227
AMORTISATION		
At 1 April 2017	-	-
Charged in year	71,448	71,448
At 31 March 2018	£71,448	£71,448
NET BOOK VALUE		
At 31 March 2018	£744,779	£744,779
At 31 March 2017	£610,048	£610,048



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

11. INTANGIBLE FIXED ASSET (continued)

CHARITY	Intangible asset £	Total £
COST OR VALUATION		
At 1 April 2017	46,642	46,642
Transfers	(2,480)	(2,480)
At 31 March 2018	<u>£44,162</u>	<u>£44,162</u>
AMORTISATION		
At 1 April 2017	-	-
Charged in year	4,462	4,462
At 31 March 2018	<u>£4,462</u>	<u>£4,462</u>
NET BOOK VALUE		
At 31 March 2018	<u>£39,700</u>	<u>£39,700</u>
At 31 March 2017	<u>£46,642</u>	<u>£46,642</u>

The intangible asset represents software development costs, incurred in the development and build of the The Care Database. The Database was implemented in April 2017.

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

12. TANGIBLE FIXED ASSETS

GROUP	Freehold land and buildings	Leasehold property	Furnishings fittings and equipment	IT systems	Motor vehicles	Total
	£	£	£	£	£	£
COST OR VALUATION						
At 1 April 2017	10,239,911	71,688	1,769,832	192,621	155,089	12,429,141
Additions	271,896	11,575	99,610	1,845	30,245	415,171
Disposals	(1,309,804)	(3,700)	(1,265,554)	-	(44,928)	(2,623,986)
Transfers	-	-	-	2,480	-	2,480
At 31 March 2018	<u>£9,202,003</u>	<u>£79,563</u>	<u>£603,888</u>	<u>£196,946</u>	<u>£140,406</u>	<u>£10,222,806</u>
ACCUMULATED DEPRECIATION						
At 1 April 2017	4,559,140	61,991	1,490,788	166,221	117,358	6,395,498
Charge for year	349,546	6,056	67,912	8,802	23,427	455,743
Disposals	(508,296)	(3,700)	(1,265,554)	-	(44,228)	(1,821,778)
At 31 March 2018	<u>£4,400,390</u>	<u>£64,347</u>	<u>£293,146</u>	<u>£175,023</u>	<u>£96,557</u>	<u>£5,029,463</u>
NET BOOK VALUE						
At 31 March 2018	<u>£4,801,613</u>	<u>£15,216</u>	<u>£310,742</u>	<u>£21,923</u>	<u>£43,849</u>	<u>£5,193,343</u>
At 31 March 2017	<u>£5,680,771</u>	<u>£9,697</u>	<u>£279,044</u>	<u>£26,400</u>	<u>£37,731</u>	<u>£6,033,643</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

12. TANGIBLE FIXED ASSETS (continued)

CHARITY	Freehold land and buildings	Leasehold property	Furnishings fittings and equipment	IT systems	Motor vehicles	Total
	£	£	£	£	£	£
COST OR VALUATION						
At 1 April 2017	10,239,911	45,973	1,612,093	192,621	143,889	12,234,487
Additions	271,896	-	75,720	-	14,125	361,741
Disposals	(1,309,804)	-	(1,265,554)	-	(33,729)	(2,609,087)
At 31 March 2018	<u>£9,202,003</u>	<u>£45,973</u>	<u>£422,259</u>	<u>£192,621</u>	<u>£124,285</u>	<u>£9,987,141</u>
ACCUMULATED DEPRECIATION						
At 1 April 2017	4,559,140	45,973	1,356,981	166,221	108,259	6,236,574
Charge for year	349,546	-	48,657	8,802	20,012	427,017
Disposals	(508,296)	-	(1,265,554)	-	(33,729)	(1,807,579)
At 31 March 2018	<u>£4,400,390</u>	<u>£45,973</u>	<u>£140,084</u>	<u>£175,023</u>	<u>£94,542</u>	<u>£4,856,012</u>
NET BOOK VALUE						
At 31 March 2018	<u>£4,801,613</u>	<u>-</u>	<u>£282,175</u>	<u>£17,598</u>	<u>£29,743</u>	<u>£5,131,129</u>
At 31 March 2017	<u>£5,680,771</u>	<u>-</u>	<u>£255,112</u>	<u>£26,400</u>	<u>£35,630</u>	<u>£5,997,913</u>

13. FIXED ASSET INVESTMENTS

Fixed asset investments comprise:

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
Listed investments	3,490,368	3,528,108	3,490,368	3,528,108
Cash held by investment managers	61,838	17,847	61,838	17,847
Investment property	-	1,133,333	-	1,133,333
	<u>£3,552,206</u>	<u>£4,679,288</u>	<u>£3,552,206</u>	<u>£4,679,288</u>

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

13. FIXED ASSET INVESTMENTS (continued)

	2018 £	2017 £
Listed investments		
Market value 1 April 2017	3,528,108	4,201,853
Proceeds	(800,949)	(2,677,652)
Acquisitions	735,199	1,393,540
Gains/(losses) on listed investments	28,010	610,367
	<hr/>	<hr/>
Market value 31 March 2018	3,490,368	3,528,108
Cash held with investment managers	61,838	17,847
	<hr/>	<hr/>
	<u>£3,552,206</u>	<u>£3,545,955</u>
	<hr/>	<hr/>
Historic cost 31 March 2018	<u>£3,223,553</u>	<u>£3,183,795</u>

At 31 March 2018, the listed investments comprised the following:

	2018 £	2017 £
Fixed interest	374,117	298,794
UK equities	1,292,648	1,437,133
Overseas equities	1,380,184	1,407,654
Alternatives	443,419	384,527
	<hr/>	<hr/>
	<u>£3,490,368</u>	<u>£3,528,108</u>

At 31 March 2018, the charity held the no investments in excess of 5% of the market value of its portfolio.

	2018 £	2017 £
Investment property		
Market value 1 April 2017	1,133,333	1,133,333
Disposal	(1,133,333)	-
	<hr/>	<hr/>
Market value 31 March 2018	<u>-</u>	<u>£1,133,333</u>

The investment property relates to the third of the Administrative Office (Bridge House) which was let out to external tenants. Bridge House was sold in the year. The proceeds from the sale of the investment property were £1,222,984 giving a gain on sale of £89,651.



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

14. DEBTORS

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
DUE GREATER THAN ONE YEAR				
Rent Deposits	82,750	62,750	-	-
DUE WITHIN ONE YEAR				
Trade debtors	133,767	125,300	129,932	121,987
Amounts receivable from subsidiary undertakings	-	-	698,620	185,478
Amounts receivable from Joint Venture	43,837	25,796	43,837	25,796
Other debtors	515,602	547,780	498,843	544,877
Prepayments and accrued income	353,912	291,921	264,802	240,912
Corporation tax	44,601	112,681	-	-
	<u>£1,174,469</u>	<u>£1,166,228</u>	<u>£1,636,034</u>	<u>£1,119,050</u>

15. CREDITORS

	Group		Charity	
	2018	2017	2018	2017
	£	£	£	£
DUE WITHIN ONE YEAR				
Trade creditors	114,487	98,425	112,074	95,430
Other creditors	229,214	4,980	204,854	-
Employer's pension contributions	24,361	57,363	24,361	57,363
Accruals and deferred income	293,248	233,402	248,927	228,802
Other taxes and social security	124,241	147,089	148,602	147,352
	<u>£785,551</u>	<u>£541,259</u>	<u>£738,818</u>	<u>£528,947</u>

16. PENSION COSTS

Contributions to the pension schemes are charged to the Statement of Financial Activities in the year to which they relate and amounted to £401,423 (2017: £470,304). At the balance sheet date the amount outstanding to the schemes was £24,361 (2017: £57,363).



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

17. RESTRICTED FUNDS

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Donor and Purpose of each fund	1 April 2017 £	Group and Charity		31 March 2018 £
		Income £	Expenditure £	
NHS England Grants	-			-
• Children's Hospices Programme	-	640,107	(640,107)	-
Family/Friends Lydia Poulson				
• Research	6,621	-	(6,621)	-
Wish List Fund				5,554
• Stained glass window	5,554	-	-	
J Batty				
• Christopher's use	5,538	-	(5,538)	-
Lewis Family Charitable Trust				
• Pain and Symptom research	6,500	-	(5,079)	1,421
Childwick Trust				
• Hospice garden costs	9,342	-	(8,603)	739
The Story of Christmas				
• Shooting Star House garden	598	-	(498)	100
Dr N Saunders				
• Medial equipment and activities	11,544	-	(1,867)	9,677
Messrs Hoarne Trustees				
• Siblings holiday	20	-	-	20
Newman's Own Foundation				
• Rocks and Pebbles and Music Festival	5,034	-	(4,528)	506
In Memory of Olivia Lee				
• Little Chasers and Sparklers	2,999	-	(263)	2,736
MariaMarina Foundation				
• Music festival and family support	28,304	53,000	(41,554)	39,750
Katcando				
• Christopher's equipment	5,426	-	-	5,426
The Tudor Foundation				
• Symptom management costs	-	25,000	(25,000)	-
Underwood Trust				
• Palliative care & staff uniforms	-	20,000	(20,000)	-
Max Galleni				
• Project	4,039	-	-	4,039
The Openwork Foundation				
• Christophers refurbishment	6,300	-	(6,300)	-
The Toy Trust				
• Christophers refurbishment	10,000	-	(10,000)	-
ICAP				
• Christophers refurbishment	177,267	-	(177,267)	-
Guildford Council				
• Christophers refurbishment	25,000	-	(25,000)	-
The Lakehouse Charitable Foundation				
• Hospice care	-	41,000	(41,000)	-
The Cup Trust				
• Satellite hubs	-	11,526	-	11,526



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

17. RESTRICTED FUNDS (continued)

Donor and Purpose of each fund	1 April 2017 £	Group and Charity		31 March 2018 £
		Income £	Expenditure £	
Wolfson Foundation	-	70,000	(70,000)	-
• <i>Christophers refurbishment</i>				
The Werth Trust	-	25,000	(25,000)	-
• <i>Christophers refurbishment</i>				
Department of health	-	36,647	(36,647)	-
• <i>Hospice at Home care</i>				
UPS	-	25,027	-	25,027
• <i>Christopher's refurbishment</i>				
Paul Strank Roofing	-	20,000	(13,615)	6,385
• <i>Christopher's refurbishment</i>				
Frankie Briggs IMO	-	7,896	-	7,896
• <i>Christopher's use</i>				
Sundry < £5,000				
• <i>Various</i>	34,912	52,313	(37,957)	49,268
	<u>£344,998</u>	<u>£1,027,516</u>	<u>£(1,202,444)</u>	<u>£170,070</u>

Restricted income received from charitable activities was £640,107 from NHS England grants (2017: £640,107) and £nil from other grants (2017: NIL), totalling £640,107 (2017: £640,107).

18. ENDOWED FUNDS

	1 April 2017 £	Group and Charity		31 March 2018 £
		Income £	Expenditure £	
The Robina Endowment fund	<u>£58,934</u>	<u>500</u>	<u>-</u>	<u>£59,434</u>

Endowed funds represent a donation received where income would support music therapy.

Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

19. TANGIBLE FIXED ASSET FUND

The tangible fixed asset fund represents charitable funds invested in operational fixed assets. This fund is maintained so as to be able to clearly identify the free (general) reserves on the balance sheet in the context of the charity's reserve policy. The balance of the fund is equal to the net book value of tangible fixed assets. In 2017 the balance of the fund was equal to the net book value of tangible fixed assets and the value of the investment property.

20. UNREALISED INVESTMENT GAINS

Included within the total funds of the group and charity the cumulative unrealised gains as follows:

Unrealised gains / (losses):	2018 £	2017 £
On listed investments	328,653	362,160
On the investment property	-	117,667
Total unrealised gains at 31 March 2018	<u>£328,653</u>	<u>£479,827</u>
Reconciliation of movements in unrealised gains		
Total unrealised gains at 1 April 2017	479,827	29,189
Less: in respect of disposals in the year	(179,184)	(159,729)
Add: net gains/(losses) arising on revaluation in the year	28,010	610,367
Total unrealised gains at 31 March 2018	<u>£328,653</u>	<u>£479,827</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Group	Tangible Fixed Assets £	Intangible Fixed Assets £	Investments £	Net current assets £	Total £
General funds		39,700	3,552,206	3,342,304	6,934,210
Fixed Asset funds	5,193,343	-	-	-	5,193,343
Restricted funds		-	-	170,070	170,070
Endowed funds		-	-	59,434	59,434
Non-charitable subsidiary reserves	-	705,079	-	273,752	978,831
Total funds	£5,193,343	£744,779	£3,552,206	£3,845,560	£13,335,888

Charity	Tangible Fixed Assets £	Intangible Fixed Assets £	Investments £	Net current assets £	Total £
General funds		39,700	4,615,515	3,404,616	8,059,831
Fixed Asset funds	5,131,129	-	-	-	5,131,129
Restricted funds		-	-	170,070	170,070
Endowed funds		-	-	59,434	59,434
Total funds	£5,131,129	£39,700	£4,615,515	£3,634,120	£13,420,464



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

22. CASH FLOWS FROM OPERATING ACTIVITIES

Reconciliation of net income (expenditure) to net cash flow from operating activities

	2017 £	2017 £
Net Income/(Expenditure) for the reporting period	104,564	(1,426,264)
Adjustments for:		
Amortisation charge	71,448	-
Depreciation charges	455,743	476,537
Profit on sale of tangible fixed assets	(1,499,087)	-
(Gains)/Losses on investments	(28,010)	(610,367)
Gain on sale of investment property	(89,651)	-
Dividends, interest and rents from investments	(144,235)	(260,585)
(Increase)/Decrease in debtors	(8,241)	308,963
Increase/(Decrease) in creditors	244,292	(81,496)
Net cash used in operating activities	<u>£(893,177)</u>	<u>£(1,593,212)</u>

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

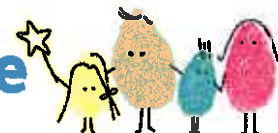
Analysis of cash and cash equivalents

	2018 £	2017 £
Cash in hand	3,456,642	1,283,376
Cash held with investment managers	61,838	17,847
Total cash and cash equivalents	<u>£3,518,480</u>	<u>£1,301,223</u>

24. COMMITMENTS UNDER OPERATING LEASES

At 31 March 2018 the group had total commitments under non-cancellable operating leases as follows:

	2018 £	2017 £
Land and buildings		
Within one year	531,500	203,500
Between two and five years	1,434,151	549,155
In over five years	1,011,474	145,756
	<u>£2,977,125</u>	<u>£898,411</u>



Notes to the Financial Statements for the Year Ended 31 March 2018 (continued)

24. COMMITMENTS UNDER OPERATING LEASES (continued)

	2018 £	2017 £
Other		
Within one year	2,882	11,750
Between two and five years	7,156	4,778
Over five years	-	-
	<u>£10,038</u>	<u>£16,528</u>

25. SALE OF PROPERTY

On 10th July 2017 the Charity entered into a sale and leaseback transaction in respect of the land and building at Bridge House, Addlestone. The sale proceeds were £3.75 million cash and the lease is on normal commercial terms for a 10 year period.

The total profit on the sale amounted to £1,763,738 and this was reduced by the creation of a dilapidation provision of £175,000 created in accordance with the terms of the lease. This net profit was split between the investment element of the property £89,651 and that recorded as a sale of a tangible fixed asset £1,499,087 (note 6)

26. CAPITAL COMMITMENTS AND POST BALANCE SHEET EVENTS

There were no capital commitments at the year end and no post balance sheet events to report.

27. NHS PENSION SCHEME

Some past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the charity of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

