

A photograph of two women in blue medical scrubs. The woman on the left has blonde hair tied back, wears glasses, and has a name tag that reads 'Linda Munday'. She is smiling broadly. The woman on the right has dark hair and is also smiling, looking towards the first woman. They appear to be in a clinical setting.

Sue Ryder

TRUSTEES' REPORT AND ACCOUNTS 2017–18

Year ending 31 March 2018

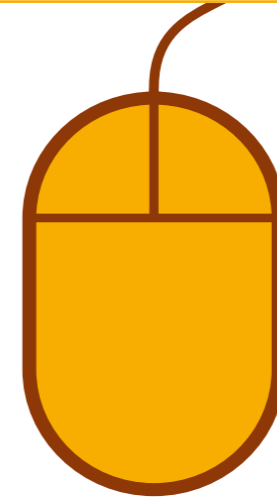
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Sue Ryder in numbers



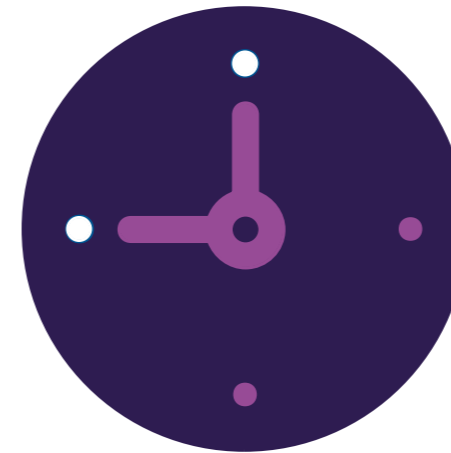
83p in every
£1 spent
goes towards our patient care



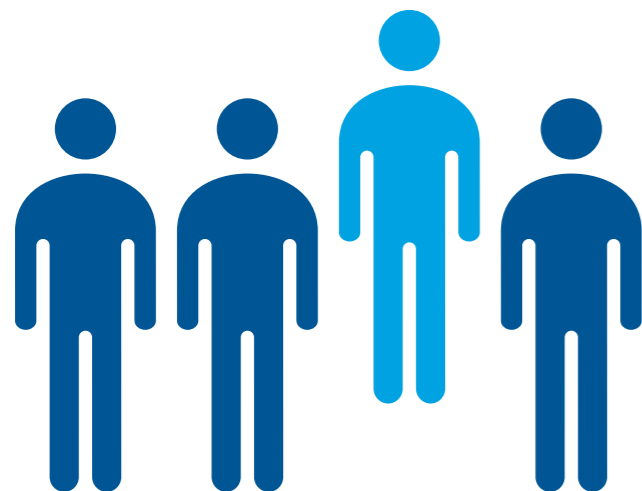
Our Online Community supported
over 97,000
people
in 2017–18



£135
could pay for a hospice
nurse for a day



Last year we provided
2.5m hours
of care to thousands of people



One in four
of us in the UK is living with
a life-changing condition



Last year the time given by
our volunteers contributed
the equivalent of
£30.2m

Foreword

We are pleased to present the Sue Ryder Trustees' Report and Accounts for 2017–18.

We aspire to create a world where everyone has access to personalised and compassionate care. We provide this through our seven hospices, four neurological care centres, in the community and in people's homes, with the help of our 11,000 volunteers, 449 shops, dedicated staff and incredible supporters.

We had some bold ambitions for 2017–18, which included leading on healthcare quality improvement, growing hospice fundraising into long-term sustainable income and continuing our digital transformation programme. In healthcare, we launched our capital appeal to extend Dee View Court, our neurological care centre in Aberdeen, as well as launching ambitious plans to provide more end of life care in South Oxfordshire. In retail, we rolled out our Electronic Point of Sale (EPOS) system, which has created a more responsive, effective and flexible retail operation, and created savings in time and money that we can reinvest into our care. We were among the first charities to sell lucky dip tickets for our lottery through our shops, which has opened up fantastic fundraising opportunities. And we also welcomed four new trustees to our Trustee Council – Katherine Buxton, Jeremy Chataway, Jason Davies and Nicola Hayes – who bring a variety of new skills and specialisms at a strategic level to support the delivery of our five-year strategy.

Continuing on from our Action Affordable Future programme in 2016–17, our financial position has continued to improve this year. We focused on our priorities, grew our underlying income by 5.5% and our reserves grew to the upper half of our target range. Confidence in our financial position means we can develop and expand our activity to take advantage of the opportunities ahead of us in 2018–19. We do have a published deficit for 2017–18 of £2.75m but this is due mainly to one-off events, such as the closure of Holme Hall Neurological Care Centre. You can find more information on this in the financial summary on page 24.

The next five years offer a number of challenges in the healthcare field. A growing population and more people being diagnosed with complex conditions mean that not only will demand for care increase, but delivering this will put more pressure on health systems, staff and resources.

Our new five-year strategy focuses on the simple aim of providing more care for more people. Traditional methods of delivering care are changing and we want Sue Ryder to be in the position to adapt to and influence that change. Our aim is to deliver services that meet the needs of more people, enable them to access personalised, life-enhancing care, and work with partner organisations to expand the reach of our care. It's an exciting time for Sue Ryder. We're an ambitious organisation and we've worked hard to get – and keep – the charity ready for our ambitious plans for the future.

With best wishes

Heidi Travis (Chief Executive)

Neil Goulden (Chair of Trustees)



Our care

We provide expert medical, practical and emotional support every year in our hospices and neurological care centres, in people's homes and in the community.



Our hospice care

Duchess of Kent Hospice, Reading
Leckhampton Court Hospice, Cheltenham
Manorlands Hospice, Keighley
Nettlebed Hospice, Henley-on-Thames
St John's Hospice, Bedford
Thorpe Hall Hospice, Peterborough
Wheatfields Hospice, Leeds



Our supported living units

Supported Living Unit, Aberdeen
Supported Living Unit, Ipswich



Our neurological care

The Chantry Neurological Care Centre, Ipswich
Cuerden Hall Neurological Care Centre, Preston
Dee View Court Neurological Care Centre, Aberdeen
Stagenhoe Neurological Care Centre, Hitchin



Our homecare services

Angus Homecare, Arbroath
Stirling Homecare, Stirling
Perth and Kinross Homecare, Perth
Falkirk Homecare, Falkirk



Our offices

London office (head office)
183 Eversholt Street, London, NW1 1BU

Sudbury office (registered office)
First Floor, Kings House, King Street,
Sudbury, CO10 2ED

Doncaster office
2 Carr Square, Sidings Court,
Doncaster, DN4 5NU



Other services

Dementia Helpline, Suffolk (excluding Waveney)
St John's Palliative Care Hub, Bedfordshire
South Oxfordshire Palliative Care Hub,
Oxfordshire
Online Community and Support
(www.sue Ryder.org/support)

Our vision and values

Sue Ryder provides hospice and neurological care for people facing a frightening, life-changing diagnosis. We do whatever we can to be a safety net for our patients and their loved ones at the most difficult time of their lives. We see the person, not the condition.

Our vision

We want everyone in need of hospice or neurological care to live the fullest life possible.

Our mission

We provide hospice and neurological care to people and their families. We also influence others so more people can access the care they need.

Our values

At Sue Ryder, we're passionate about giving people the care they want. That's why we:

- **Push the boundaries** – constantly looking at ways to improve what we do and how we do it, with creativity and innovation.
- **Do the right thing** – working with honesty and integrity, and having courage and resilience to face the challenges in delivering our goals.
- **Make the future together** – sharing our knowledge with each other and collaborating with our volunteers, supporters and people who use our services to deliver positive outcomes.

Our incredible stories

“Katie passed away, peacefully in the home that she loved, in the company of loved ones and the most compassionate of caring nurses, a wonderful Hospice at Home nurse.”

Alan Wilcher

At Sue Ryder, we do whatever we can to be a safety net for our patients and their loved ones, taking time to understand the things that help people live the fullest life they can. Our Thorpe Hall Hospice at Home team fulfilled the final wish of Alan Wilcher's wife, Katie: to die at home.

Katie and Alan were married for 40 years. When Katie was diagnosed with Parkinson's disease, Alan became her main carer; giving up his business to look after her when her condition and mobility significantly deteriorated in 2007. In April 2016, Katie was admitted to Hinchingsbrooke Hospital in Huntingdon, Cambridgeshire. After many tests, Alan learned the dreaded news that there was no possible recovery for her. Katie and Alan had always talked about spending their final days together at home, so the hospital consultant suggested contacting our Hospice at Home team at Thorpe Hall Hospice in Peterborough.

We were more than happy to support Katie and Alan. A short time later, they were able to return to their home in the village of Bury, Cambridgeshire, where our Hospice at Home nurses provided round-the-clock care for Katie, and emotional support for Alan too.

Alan said: “Emotionally, this was immensely distressing but made personally manageable due to the wonderfully kind and gentle Sue Ryder Hospice at Home nurses. It made the unthinkable so serene, gentle and kind. I know our GP was equally impressed with the great tenderness shown to her.

“Katie passed away, peacefully in the home that she loved, in the company of loved ones and the most compassionate of caring nurses, a wonderful Hospice at Home nurse.”



Katie and Alan Wilcher

Hospice at Home nurse Sally Allen, who helped to care for Katie in her final days

“Most families don’t have the facilities, specialist equipment or resources required to be able to look after their loved ones at home. I know that what we do makes the world of difference.”

Donna Lovie

Donna Lovie is one of our senior carers at Dee View Court, our neurological care centre in Aberdeen. We’re trying to raise £3.9m to double the size of the centre, which you can read about on page 15. Donna helps to provide round-the-clock care for our 22 residents, who have degenerative conditions which get worse over time – such as motor neurone disease, multiple sclerosis and Parkinson’s disease – or acquired conditions resulting from a brain or spinal injury or stroke.

Donna’s morning starts by helping residents from their beds, offering a shower or bath, administering medication and sometimes feeding them breakfast. This can take some time, as equipment such as tracking hoists is often needed to help people into the bath or shower. Afternoons are spent helping residents with any activities they would like to do, which may include arts and crafts, a bit of pampering or attending the weekly church service in the recreation room. Sometimes residents prefer to go back to bed for a rest or to watch some TV in their rooms. Many residents with limited movement have state-of-the-art computerised equipment that means they can change TV channels, turn lights on and off, make phone calls, send emails or call for assistance. This technology is so important for their independence.

Donna said: “We try to give each resident a sense of normality, so sometimes we take them for trips to the coffee shop, the supermarket or to watch a film at the cinema or a show – the things we often take for granted. Caring for the residents is my full-time job, and I know just how important it is to both the individuals and the families of those who live here. Most families don’t have the facilities, specialist equipment or resources required to look after their loved ones at home. I know that what we do makes the world of difference and I’m proud to be part of the team at Sue Ryder.”



Donna Lovie
(photo credit: The Press and Journal)

“He will go the extra mile every time and is incredibly loyal to his team. We joke that every shop needs a Jack – I really do believe it’s true.”

Mary Higgins, speaking about Jack Rogers

Jack Rogers is one of our 8,500 retail volunteers. He has worked at his local Sue Ryder shop in Keighley, West Yorkshire for over four years. To begin with, Jack’s confidence and self-esteem were quite low, but with the support of his manager, Mary Higgins, he progressed in his role and started to believe in himself.

Mary said: “Jack will go the extra mile every time and is incredibly loyal to his team. We joke that every shop needs a Jack – I really do believe it’s true. He is characteristically modest about his achievements and his role within the shop – we really are lucky to have him.”

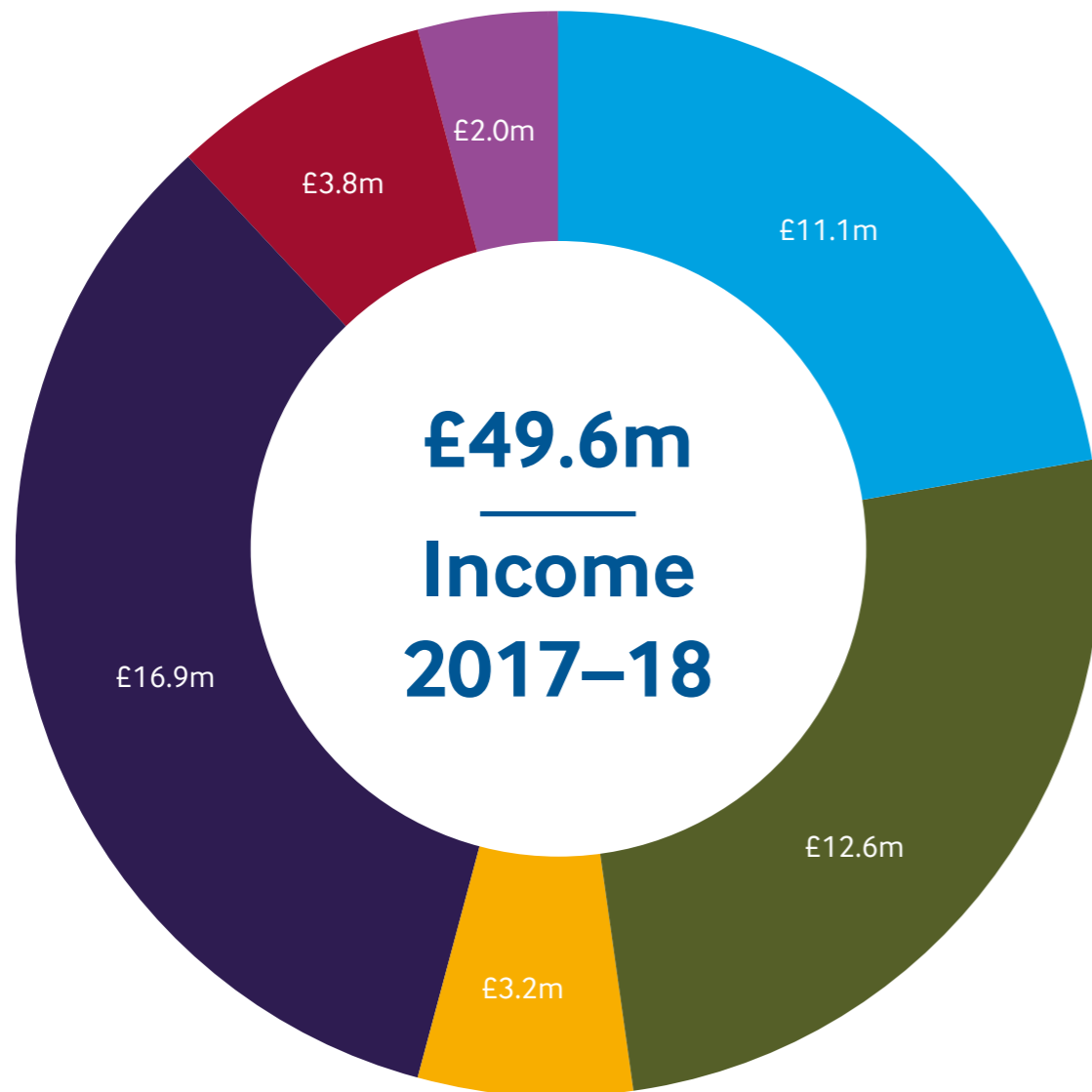
He slowly started taking on more responsibility, moving from the stockroom to operating tills and processing Gift Aid, and his confidence and faith in himself continued to grow. He has now achieved the ultimate ambition of many of our retail volunteers: securing paid work. Luckily for Mary and the rest of her team, he still volunteers at the shop regularly. Jack’s efforts were recognised at our 2017 Incredible Colleagues Awards, where he was named ‘Unsung Hero’. Fellow Keighley Airedale volunteer Patricia McClelland was also highly commended in the Special Recognition for an Outstanding Contribution to Sue Ryder category.



Jack Rogers receives his 2017 Incredible Colleagues award for Unsung Hero from Trustee Mike Attwood and Chief Executive Heidi Travis

Where our money came from

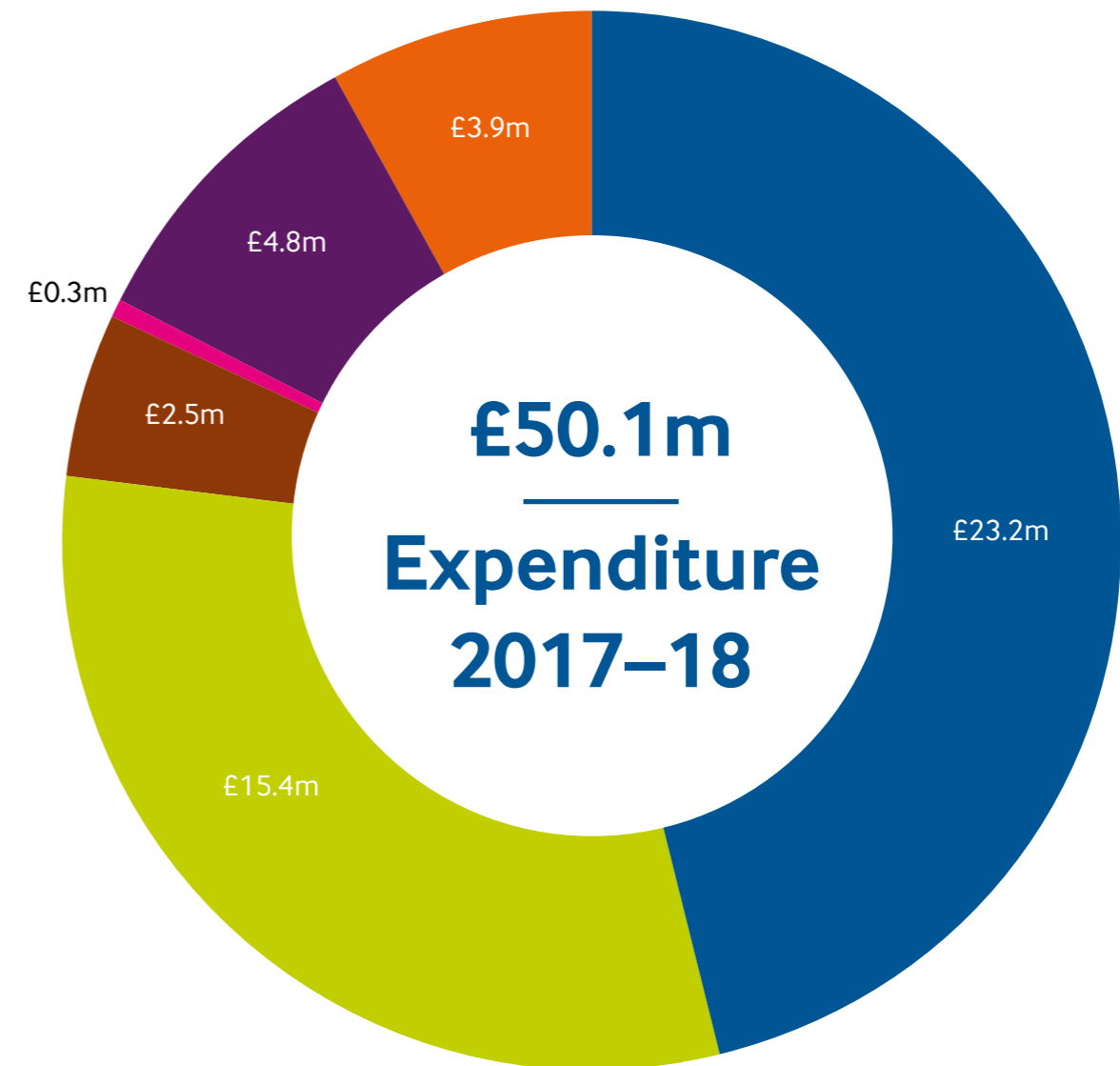
In 2017–18 we generated £49.6m to keep our services running – and £20.7m of that was raised through our shops or from our supporters.



- NHS and local authority funding – end of life care
- NHS and local authority funding – neurological care
- NHS and local authority funding – homecare
- Fundraising
- Net retail income
- Other

How our money was spent

For every £1 we spent in 2017–18, 83p was spent on delivering care in our hospices, neurological centres and in the community.



- End of life care
- Neurological care
- Homecare
- International grant
- Fundraising
- Support

Our financial statements show our expenditure according to operating activities and these are analysed further in the charts on page 24. In this report we have set out how we have operated according to our strategic themes. Each of our operating activities contributes to one of these, and this presents a clearer picture of the charity's achievements in line with our strategy.



Our progress

Leckhampton Court Hospice at Home Nurses Sarah Richards and Anna-Marie Seymour meet Eric the German shepherd, who supports his owner Andy Hill with his volunteering role at Manorlands Hospice, at our 2017 Incredible Colleagues Awards.

Our priorities in 2017–18

Sue Ryder provides hospice and neurological care for people facing a frightening, life-changing diagnosis. It's not just expert medical care we provide. It's the emotional support and practical things we take care of too. We do whatever we can to be a safety net for our patients and their loved ones at the most difficult time of their lives.

We provide expert medical, practical and emotional support in our hospices and neurological care centres, in people's homes and in the community.

Not only do we treat more conditions than any other UK charity in our healthcare locations and out in the community; we also influence others to improve the lives of people affected by them. We see the person, not the condition, taking time to understand the small things that help that person live the fullest life they can.

In 2017–18 we focused on two main priorities:
1. To provide and develop the best possible care
2. To grow our influence.

Looking ahead to 2018–19, our new five-year strategy will take us to 2023 and has one simple objective: to provide more care for more people. At the heart of this is our desire to expand our care to a wider number of people in more locations, and in new and different ways. This means more services, both palliative and neurological, being delivered in the community as well as online. We will be looking at whether our buildings are fit for purpose and identifying potential ways of expanding these in the future. We also want to use our reputation for excellent care to further influence how care can be delivered across the country and build partnerships with other healthcare providers. And we want to ensure we can harness the opportunities presented by developments in the digital world to deliver care, fundraise and help us work better, simpler and smarter.

Did you know we also produce a Quality Account?

Our Quality Account is a summary of our performance against selected quality measures and our initiatives and priorities. Read our latest Quality Account at www.sue Ryder.org/qualityaccount.

Our priorities in 2017–18

Goal 1: To provide and develop the best possible care

Not only do we provide hospice and neurological care across the UK, we go the extra mile to support people so they can live the fullest life possible.

Our vision for Dee View Court

Sue Ryder Dee View Court in Aberdeen is the only purpose-built specialist neurological care centre in Scotland, so demand for a place is high. With places rarely becoming available and demand continuing to grow, we desperately need to expand. That's why, in June 2017, we launched our Dee View Court Capital Appeal, with the aim of raising £3.9m to fund a new extension and help more people with neurological conditions in Scotland.

The appeal has already raised over £2m, including a £500,000 pledge from Sue Ryder, thanks to tremendous support from local people, businesses and community groups. We were delighted to welcome HM The Queen to the centre in September 2017; and many other VIPs have also pledged their support, including MSP Shona Robison, former Cabinet Secretary for Health and Sport. We're aiming to raise the rest of the money and complete the extension in 2018–19. Visit www.sue Ryder.org/deeviewappeal for the latest news on this project.



HM The Queen visits Dee View Court

More care for more people in South Oxfordshire

Throughout 2017–18 we've worked closely with South Oxfordshire Clinical Commissioning Group (CCG) and other health partners in the area to identify ways we can meet the increasing need for community-based end of life care and adapt our existing services.

The care we provide at Nettlebed Hospice has been rated outstanding by the Care Quality Commission (CQC) and we want to make sure that more people in Oxfordshire can access that care in their place of choice. This work will continue in 2018–19 with the start of a pilot to expand our community services from Nettlebed. Our South Oxfordshire Palliative Care Hub will include a Hospice at Home service, which will incorporate our existing community nursing team, and will provide planned and rapid response care to patients in the community, 24 hours a day. We will also be working with the 111 Urgent Care Service to deliver a single point of access for end of life patients in South Oxfordshire, which will be co-ordinated through a Sue Ryder team.



Counselling is just one of the ways we support people coping with bereavement at Sue Ryder Leckhampton Court Hospice in Gloucestershire

Lottery goes from strength to strength

Our lottery has already sold over two million tickets since its launch in 2015, providing a huge funding boost to our hospice and neurological care. 2017–18 saw another first for the lottery as lucky dips went on sale across our retail network via our new Electronic Point of Sale (EPoS) system. The tickets launched at over 400 of our shops in March 2018, following a successful pilot. Over 5,000 tickets were sold in the first week of sales alone, which is enough to pay for 10 days of inpatient care at one of our hospices. The lucky dips can be checked and claimed at multiple locations, and we are one of the first UK charities to offer instant and redeemable lottery tickets in our shops. Our lottery is drawn every Friday and has a top prize of £1,000.



Our all-important volunteers

The time, effort and skills of our volunteer workforce continue to play a vital role in the delivery of our hospice and neurological care. We have over 11,000 volunteers who contributed an amazing £30.2m of value to our work this year – and that’s not counting their priceless care and compassion.

We’re still the largest recruiter of volunteers serving prison and community payback sentences, and we’re the only UK charity with a designated team to develop and deliver these opportunities. 20% of our volunteers are either from prison or are carrying out a community payback sentence, helping them to rehabilitate and reintegrate in society. Last year we worked with over 280 prisoners and 1,800 community payback volunteers. 2017–18 has also seen the re-organisation of our Volunteering team, which has relocated to our Doncaster office and recruited new team members to support our volunteers.



Our Chineham shop’s acting manager Joanne Anderson with volunteer and keen baker Ann Dyer.

Continued success for Online Community

Our Online Community and Support is Sue Ryder’s first truly national service, providing information and support to people when a loved one is dying or has died. The site consists of a peer support forum and an advice section with informative articles giving expert answers to frequently asked questions.

The site made huge progress last year, with growth in engagement, registrations and traffic all well above our targets. Each month, an average of 8,500 people visited the site, making more than 700 posts. In a survey, 88% of users said the forum gave them an outlet for their emotions; 84% said it had made them feel less alone; and 82% said it helped them feel more able to cope. In 2018–19, we’ll be piloting a new video support service to users of the community, who will be able to receive one-to-one bereavement counselling and support through an online video chat.



Our Online Community and Support is accessible via any web-enabled device, including tablets and smartphones

Expanding our services in Scotland

We’ve supported people with conditions like stroke, Parkinson’s disease and dementia in the Stirling, Falkirk and Angus areas of Scotland for a number of years. In September 2017 we expanded our care to homes in the Perth and Kinross area. When people live in the place of their choice, amongst friends and family, and as part of their community, they enjoy better health and quality of life. Our Scottish homecare services offer a huge range of support to enable people to live independently at home, from practical help with things like washing, dressing and meal preparation to paperwork and domestic tasks. Every person we care for has their own individual support plan, putting their needs and wishes at the heart of our care. In January 2018, the Voluntary Sector Development Fund (VSDF) at the Scottish Social Services Council awarded our services a grant of £22,491 towards training costs, helping us to continue providing the seamless care that supports people’s health, wellbeing and quality of life.



John Swinney, MSP for Perthshire North, meets our homecare service users in Angus

Diversifying our range of shops

As well as introducing lottery lucky dips, 2017–18 saw the launch of three new shop categories within our retail network – superstores, emporiums and ‘£3 or less’ outlets. These cater to a variety of tastes and pockets; and by having the right type of shop in the right location, we can maximise the income raised to enable us to deliver care. Our first superstore opened in Skelton, North Yorkshire, in February 2018 and is leading the way in charity retailing, with a wide range of donated goods and new items on offer including furniture, white goods and clothing. Our new Emporium concept, which launched at our Barnes shop in London in December 2017, boasts high-quality second-hand clothing, shoes and accessories. Last but certainly not least, our ‘£3 or less’ range – which has expanded to over 40 shops of various sizes – includes rails and bargain bins brimming with quality items at low prices.



Supervisor Tanya Ashford, Area Manager Nicola Steele and Shop Manager Liz Gale at our ‘£3 or less’ shop on The Oxbode, Gloucester, which includes a specialist vintage and retro section

Leading the way in cyber security

Providing the best possible care includes protecting the personal information of our patients, service users and their families; not to mention our many supporters and volunteers. In January 2018, after months of hard work by our IT team, we received the CyberEssentials Accreditation, a government cyber security standard for organisations and businesses. This puts us ahead of many other charities and companies who have yet to install a cyber security framework. We have a range of robust security measures in place and more work will be happening over the next couple of years to ensure our defences remain fit for purpose.

A new home for our London office

In February 2018, our London office moved to a new location. Not only is our office at 183 Eversholt Street a more efficient, flexible and effective use of space, it also saves us £200,000 a year on rental costs – money which is being reinvested into our hospice and neurological care. With the new office comes new ways of working, which includes hot-desking for London-based teams and visitors; better visitor facilities; and improved links to other Sue Ryder locations in the UK.



A panoramic view of our new office at 183 Eversholt Street, London

Our priorities in 2017–18

Goal 2: To grow our influence

As a provider of specialist care, we are uniquely placed to understand the issues and challenges for people who are approaching the end of their lives and those who are living with a neurological condition. We work with and for the people we support, and other people affected, to ensure their voices are heard.

Making an impact

Our Policy and Public Affairs team built on previous work to make an impact on policy areas that affect our services and the people that use them. Sue Ryder’s Elise Hoadley gave evidence to a session of the House of Commons’ Public Accounts Committee on the problems that are caused for people who need our hospice care as a result of the way the ‘Continuing Healthcare’ funding system works. This evidence should help to shape future changes to the system to improve access to services like ours. The success of our 2016 Scottish Parliament elections campaign, Rewrite the Future, was built on, with further Sue Ryder research showing problems in neurological care in Scotland. This resulted in the Scottish Government announcing work to develop the first-ever national action plan on neurological conditions. For the first time, we also gave evidence to a committee of the Scottish Parliament on the need for better neurological care.



Elinor Jayne, Policy and Public Affairs Manager for Scotland, with Bruce Crawford MSP at a Scottish Parliament debate on our Rewrite the Future report in December 2017

Working with others

Active involvement in formal and informal alliances has continued to ensure the voices of the people we care for are heard. This has included working with the Health and Social Care Alliance in Scotland to influence the draft national action plan on neurological conditions; our Public Affairs Manager in Scotland joining the executive of the Neurological Alliance of Scotland; and working with Marie Curie and Hospice UK to successfully lobby the Scottish Government on the need for more meaningful palliative care indicators. In England, our Public Affairs Manager became co-chair of the Neurological Alliance Policy Group, and work with the Continuing Healthcare Alliance in England to change the new framework has continued. We also jointly published a report, *Going the Distance 2*, with the Neurological Alliance.

Implementing our Influencing Strategy

In recognition of the importance of influencing as a strategic aim for Sue Ryder and reflecting the diverse range of influencing activity that goes on across the organisation, an Influencing Strategy was developed by colleagues from across Sue Ryder and has now been agreed by our Executive Leadership Team (ELT) and trustees. This is currently being delivered, with a focus on influencing policy in relation to end of life and neurological care, as well as better coordinating and managing influencing activity across Sue Ryder.

Promoting Sue Ryder

During 2017–18 we capitalised on multiple opportunities to demonstrate the value of Sue Ryder. The Conservative Party conference in Manchester was used as a chance to raise awareness of our work on bereavement, and to promote our Online Community to politicians, policy makers and the media. At The Gathering, an annual event organised by the Scottish Council for Voluntary Organisations (SCVO), we took part in a platform discussion with other organisations about how the third sector can help with better integration of health and social care in Scotland. We also held our first conference on human rights in end of life care at the Royal Society in London in February 2018. This event showcased our 'What Matters to Me' training programme, which is educating healthcare professionals all over the UK on how to use a human rights approach in their palliative care work. The conference was followed by the inaugural Sue Ryder Lecture, attended by Sue Ryder trustees and leaders in healthcare and policy. Both events were a great success and helped to promote the training, further our influencing goals and strengthen our position as end of life experts.



Jacqui Graves, our Human Rights Lead, addresses the first-ever Sue Ryder Human Rights Conference in February 2018

A new generation of learning

We're committed to supporting the ongoing learning and development needs of our colleagues. That's why we launched our new Learning Hub in January 2018, following a successful pilot. The Learning Hub allows colleagues to view their learning records, find out about training courses and take part in e-learning. They can do this from their desks, or on any web-enabled PC, laptop or tablet. Colleagues can view and book onto classroom-based courses, such as our Behaviours or Assertiveness training, or Personal Impact training, which is new for 2018. There are videos and online courses too. The system also provides a training history, which includes past training records, and users can see their achievements and view and print certificates anytime, anywhere. This is a significant change to the way learning and development is delivered at Sue Ryder and is resulting in more people accessing courses; therefore ensuring our colleagues have the best-possible tools to provide our care.

Continuing our digital transformation

2017–18 was a really successful year for our digital transformation work. We completed our year-long programme to roll out Electronic Point of Sale (EPoS) across our retail network with the installation of the system at our Camden shop in February 2018. EPoS is the largest IT project that Sue Ryder has ever delivered and marks a huge step forward for the organisation. The system is a fast and efficient way of making and recording sales and managing our stock, both locally and nationally. It's allowing us to develop new and innovative ways to grow our influence and raise more funds, including the sale of lucky dip tickets for our Sue Ryder lottery. Also in 2017–18, we started our project to replace visitor signing-in books at our hospices with iPads, following successful pilots at St John's Hospice and Leckhampton Court Hospice. The iPads allow information to be stored digitally, and visitors can also share their email address to receive information about our care and ways they could support Sue Ryder.

Oya Rifat, manager of our Camden shop, gets to grips with the new EPoS system





Our
performance

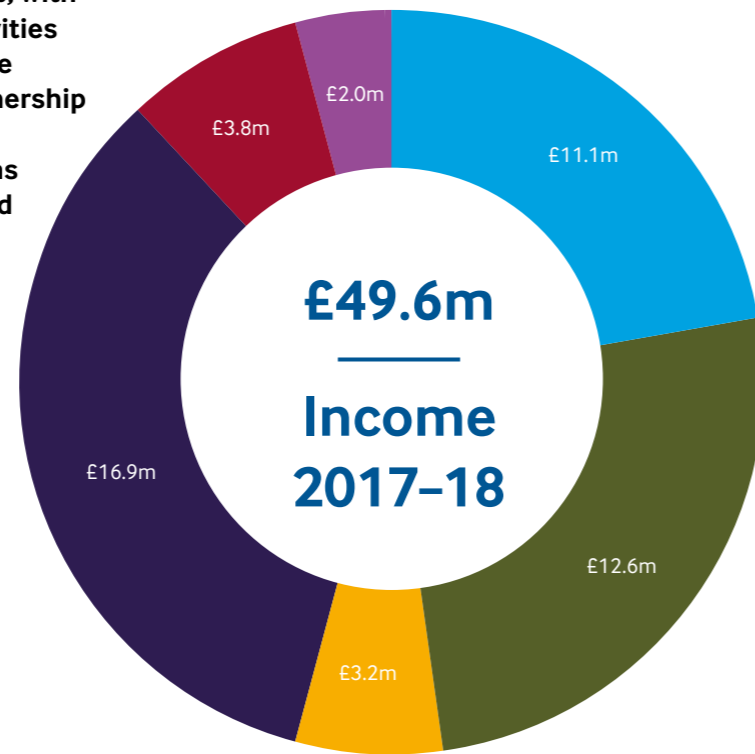
Supporter Gary Heyden smiles for the camera despite being midway through the gruelling 100-mile Prudential RideLondon event in July 2017.

Financial summary

The charity reported a deficit of £2.75m in 2017–18, compared with net income of £1m in 2016–17. However, there were encouraging signs in our underlying performance, and our cash balances increased by £1m.

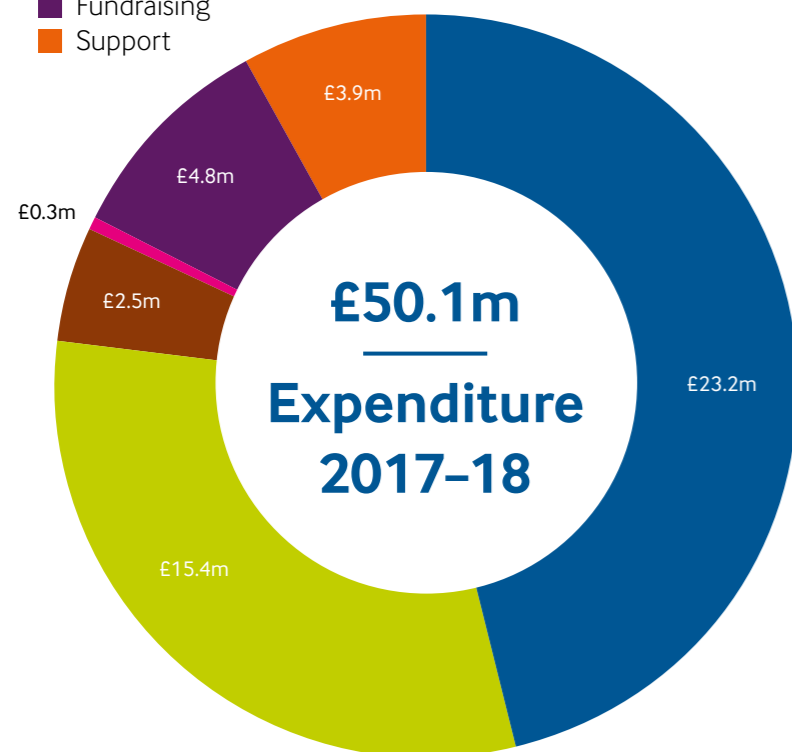
The deficit was principally due to one-offs relating to the write-down on the value of Holme Hall following its closure in the year; and a change in the accounting estimate in relation to the provision for dilapidations of our leasehold properties. However, income grew by 2.8%, with most of the growth from fundraising activities – a particularly impressive result given the previous year marked the end of our partnership with Morrisons. Adjusting for that loss of income, our underlying income growth was 5.5%. The year-end cash balance increased by £1.0m, reflecting the non-cash nature of the one-off items noted above.

Retail income is shown net of direct and allocated support costs. Other income includes contributions from patients and service users towards their care, rent and dividend income.



Expenditure

- End of life care
- Neurological care
- Homecare
- International grant
- Fundraising
- Support



Income

- NHS and local authority funding – end of life care
- NHS and local authority funding – neurological care
- NHS and local authority funding – homecare
- Fundraising
- Net retail income
- Other

Financial summary (continued)

Income

Our principal sources of income are statutory funding from the NHS and local authorities for our end of life, neurological and homecare services; donations from the public, charitable trusts and corporate partners; and retail activities.

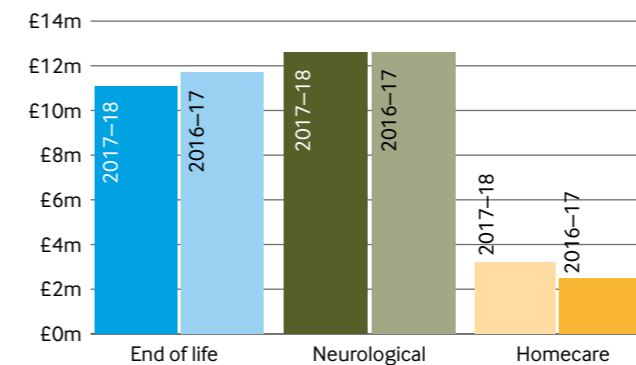
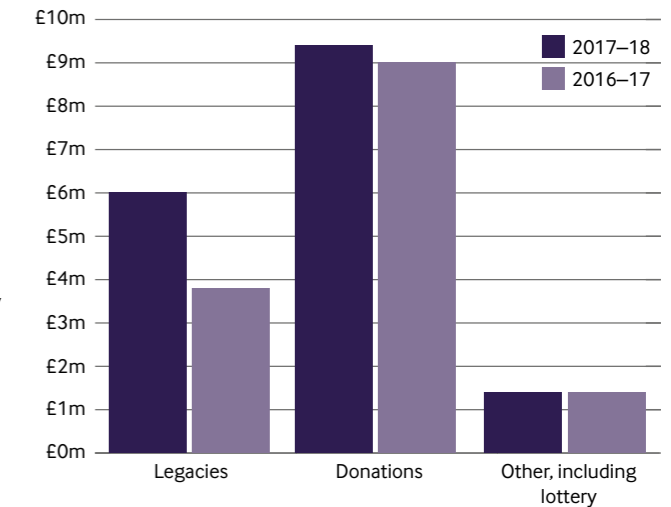
Statutory income

Total income from the NHS and local authorities grew by just 0.3% in the year to £26.9m, as the funding environment remained difficult. The grants we receive for end of life care in our hospices and in the community fell by £0.6m, largely as a result of one-off funding in 2016–17 not being repeated. There was also a reduction in the scope and associated funding for some services.

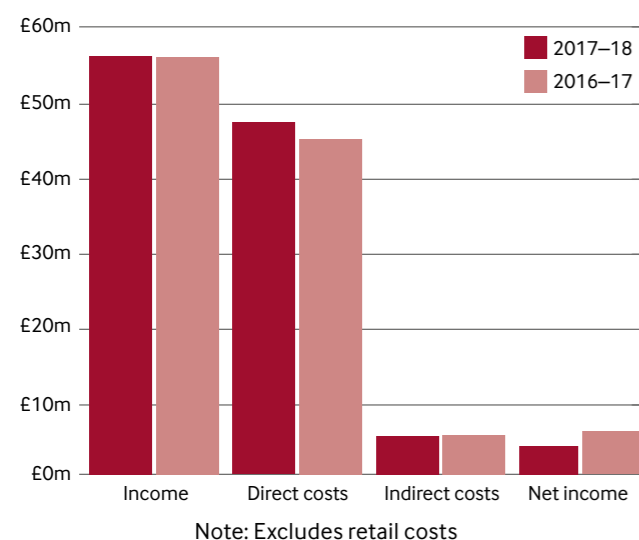
Neurological fees were unchanged at £12.6m: we received increased fees from local authorities at a number of our centres, but we had lower occupancy levels compared with last year. Total neurological income levels were maintained despite the closure of Holme Hall, which will have a larger impact on income in 2018–19. Our homecare services in Scotland delivered more hours of care following successful tenders, including expansion into new regions.

Fundraising

Total fundraising income grew by 19% to £16.9m, due to significant growth in legacies. General donations from the public, trusts and corporate partners increased by 5% to £9.4m, despite the ending of our partnership with Morrisons in February 2017, which contributed £2.5m in 2016–17. Income from the Sue Ryder lottery grew by 57% to £1.3m and further growth is anticipated in 2018–19.



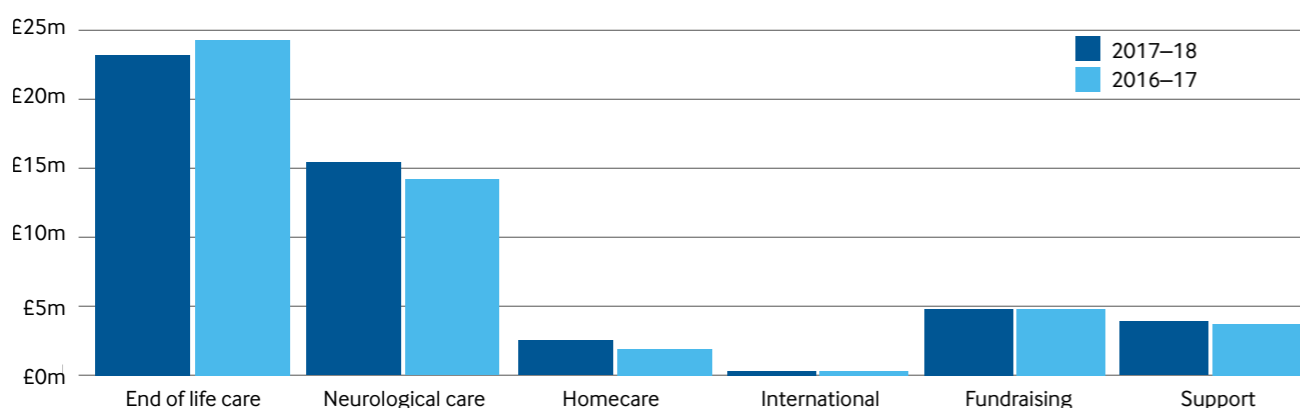
Financial summary (continued)



Retail

The ongoing difficult trading conditions in the UK retail sector contributed to a fall in net income of £1.9m to £3.8m. Sales increased by 0.3%, but this was more than offset by increases in direct costs, including the cost of goods bought for resale and the increased provision for dilapidations.

During 2017-18 we completed the rollout of our new Electronic Point of Sale (EPoS) system, which brings our core retail system up to date and provides improved management information. In addition, the new system has allowed us to offer customers the chance to enter our lottery across our entire retail network since March 2018.



Expenditure

Total expenditure grew by 2% to £50.1m, with staff costs being the most significant contributor to this increase. This was due to growth in some of our services and increased base costs, which are partly attributable to the impact of the national living wage increases and the apprenticeship levy.

Costs in end of life care fell by £1.1m, partly in response to some commissioned services being reduced in scope and full-year savings from our cost-saving programme. We further benefitted from the first full year of our hospice VAT exemption. Costs in neurological care increased, primarily due to increased staff costs. Homecare costs increased in line with increases in activity.

Fundraising costs were unchanged on the previous year as we continue to focus investment on areas designed to deliver the most impact. Total support costs increased by 1% to £9.0m.

Subsidiary companies

Sue Ryder has four wholly owned subsidiaries, which are incorporated in the UK. The principal activities of the subsidiary Sue Ryder Direct Limited are the sale of new goods and the running of the donated goods Gift Aid scheme. The principal activity of the subsidiary Sue Ryder Lottery Limited is the running of the Sue Ryder lottery and it holds the Sue Ryder gambling licence. The companies gift their taxable profits to Sue Ryder. Woburn Property Investments Limited and Duchess of Kent House Charity are now dormant.

Financial summary (continued)

Reserves

As of 31st March 2018, total funds stood at £55.5m. £1.1m was restricted for specific purposes and £14.8m was property revaluation reserves (representing the estimated increase in the current values of our freehold care centre assets over their historic values). Of the remaining £39.6m of general funds, £15.1m was held as cash and investments. Trustees have agreed to designate £0.5m of our reserves to contribute to the Dee View Court Capital Appeal. We expect these designated funds to be used in the year beginning 1st April 2019.

Sue Ryder depends on a number of diverse but fluctuating income streams in order to fund its services. During the year the trustees undertook a risk-based review of our income and expenditure in order to assess the appropriate level of reserves the charity should hold. Taking into account the diverse nature of our income streams, the levels of asset backing, current and future investment and borrowing projections, the growing demand for the services that we provide, and the general and specific market conditions in which we operate, they are of the opinion that an appropriate level of liquid free reserves (held as cash and investments) would be in the range £11m to £17m. The year-end position of £15.1m falls within this range.

The table below shows the progression of the charity's reserves in the past five years. Since the low point in March 2016, we have taken steps to address our financial sustainability by adjusting our cost base under the Action Affordable Future programme and focusing on income growth.

Investments

The Council of Trustees sets the overall performance and ethical parameters under which our investment managers Cazenove operate.

The investment managers report regularly to the Finance and Audit Subcommittee (now known as the Audit, Risk and Commercial Committee) and meet at least annually to review performance and outlook.

The primary objectives of our investment portfolio are:

- To generate long-term income
- To provide capital growth to fund new activities
- To maintain an appropriate balance between equities, bonds, other investments and cash in order to spread and manage risk.

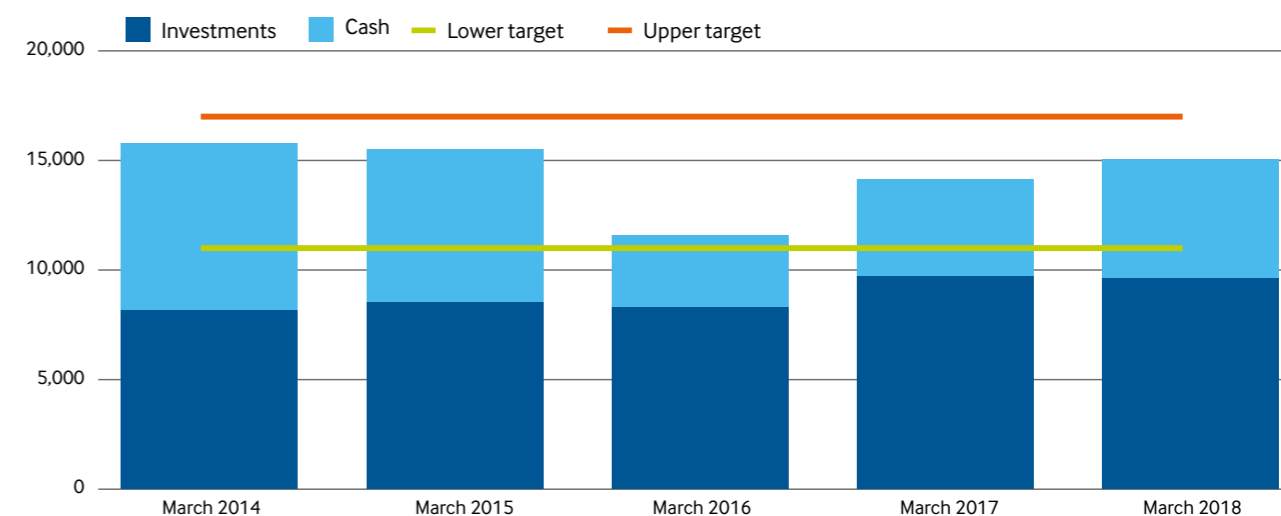
The total return on our portfolio over the financial year was -0.9% (2015-16: 17.0%). Returns fell significantly in the final quarter of the year but the full year return was below our benchmark.

The distribution of investments, as of 31st March 2018, was:

UK equities	28.1%
Overseas equities	32.2%
UK fixed interest and gilts	13.0%
Overseas fixed interest and gilts	6.7%
Others	20.0%

Investment restrictions

The trustees have declared that, for ethical reasons, the charity will not directly invest in armaments, tobacco or pornography.



Financial summary (continued)

Our most significant risks and mitigating actions are set out in the following table:

Principal risks	Management of risks	Risk owner
There is a risk that the end of life care strategy will not be delivered in full because of an inability to develop sustainable funding, leading to limited or no increases in services around our hospices, which will impact on the choice for patients in their care at the end of life.	<ul style="list-style-type: none"> Regular discussions with commissioners No expansion of services until appropriate funding is in place Commissioning agreements 2018–19 Focus on fundraising budget 2018–19 	Director of Hospices and Fundraising
There is a risk to the delivery of neurological care if the organisation is unable to achieve the fee levels required to fully recover costs or is unable to meet occupancy targets, leading to a failure to sustain centres.	<ul style="list-style-type: none"> Budgetary control Occupancy rate targets New patient fees signed off by the Director of Neurological Services to ensure consistency with strategy KPI £ per patient on performance report to be introduced 	Director of Neurological Services
There is a risk to the financial sustainability of the organisational plan because of insufficient financial resources to mitigate changes and/or delays in key elements of the capital and income programmes, leading to an unsustainable depletion of reserves.	<ul style="list-style-type: none"> Suitable reserves and reserves policy Ongoing ownership of costs and the creation of a sustainable base Regular reviews by the Executive Leadership Team (ELT) of financial performance against target Business cases for all developments Clarity of ownership in capital budgets 	Executive Leadership Team

Financial summary (continued)

Principal risks	Management of risks	Risk owner
There is a risk to the transformational and cultural change required in Sue Ryder to deliver a sustainable, dynamic organisation because of leadership's capability to operate with impact and raise performance standards, improve quality and compliance and deliver to target, leading to a failure to deliver organisational objectives.	<ul style="list-style-type: none"> Involvement of Senior Leadership Teams (SLTs) in budgeting and planning, raising awareness and buy-in to change Annual leadership event to ensure understanding and progress on plans Establishing distributed leadership model working with ELT in regard of change and wider issues Establish quality improvement culture across organisation 	Executive Leadership Team
There is a risk that we don't have a high-level project development plan agreed, which will lead to an inconsistent approach to capital planning and a lack of organisational commitment.	<ul style="list-style-type: none"> Defined annual plan and budget Clear sequencing of major projects Project management capability, tools and monitoring Appointment of Director of Development 	Director of Development; Director of Finance
There is a risk that we are not consistently vigilant on fundraising governance. This leaves us vulnerable to loss of confidence from supporters and sanctions from regulators.	<ul style="list-style-type: none"> Fundraising supporter pledge Monthly SLT review Appointment of compliance manager 	Director of Hospices and Fundraising
There is a risk that the organisation does not operate and develop systems and programmes to support effective ways of working in operating units and support functions.	<ul style="list-style-type: none"> Review of processes and systems Upgrades to our accounting system now in place Changes to HR system being implemented 	Executive Leadership Team

Financial summary (continued)

Fundraising Statement

The Charities (Protection and Social Investment) Act 2016 includes some new requirements for charities to follow.

1. Sue Ryder's approach to fundraising activity, and in particular whether a professional fundraiser or commercial participator was used.

It will cost us £44m to run our healthcare services next year. We expect to receive £27.5m in statutory funding so we will need to raise £16.5m through fundraising.

Our fundraising teams work tirelessly to raise this money in a number of different ways – from gifts left in wills, corporate fundraising with local companies and national partners, and soliciting gifts from trusts and foundations, to the Sue Ryder lottery and our 'Friends of Sue Ryder' regular giving scheme. In addition, each hospice has its own fundraising team working with the local community to raise vital funds and awareness of our work.

We do sometimes use professional fundraisers or commercial participators to help us deliver this work. We follow a robust procurement process when doing so, conducting due diligence and reviews, and ensuring the agencies we employ to work with us are held to the highest possible standards in regards to data protection and fundraising compliance, and deliver a return on investment that we then invest in care.

2. Details of any voluntary fundraising scheme or standards which the charity or anyone fundraising on its behalf has agreed to. This includes the regulation scheme established by the Fundraising Regulator.

Sue Ryder complies with current regulations and best practice set out by regulatory and professional membership bodies such as the Fundraising Regulator, the Institute of Fundraising and the Direct Marketing Association.

3. Any failure to comply with a scheme or standard cited.

Due to the nature and logistics of delivering fundraising across multiple sites, we are aware that the potential for breaches of fundraising compliance exist. We manage and minimise these risks through training and inductions for new starters, quality checking and audits, implementing compliance policies, and having compliance champions in each area. We proactively engage and work with the Fundraising Regulator and other professional bodies to ensure that any concerns raised are addressed as a priority.

4. Whether and how the charity monitored fundraising activities carried out on its behalf.

At Sue Ryder we acknowledge that the engagement of third parties can help our ability to raise funds and support our work significantly, as well as improve efficiency and reduce cost. However, it is imperative that we have the right safeguards in place when working with suppliers and those who fundraise on our behalf to protect our supporters, patients and their families, as well as the financial position and reputation of Sue Ryder.

Sue Ryder requires that any third party we work with complies with data protection legislation as set out in the Code of Fundraising Practice, including the requirements of the Telephone, Mailing and Fundraising Preference Services.

Financial summary (continued)

We follow a robust procurement process when recruiting third parties to work on our behalf, making sure we apply appropriate due diligence and contracts for this work. We work closely with these third parties, regularly reviewing their work against performance targets and the Code of Fundraising Practice to ensure that we are delivering the best value for money for the charity and our supporters. We have staff policies that outline what is expected at each stage of a relationship with a third party.

All third-party personnel adhere to a code of conduct when engaging with supporters and potential supporters on our behalf. That means they should be polite, respectful and aware that anyone can be in a vulnerable situation – even if it's not immediately apparent. It also means that nobody should be pressurised or made to feel guilty for not supporting us.

They make it clear when communicating on our behalf how a person can register feedback or a complaint directly with us. This is also highlighted in communications sent on our behalf by third parties and in our donor pledges on the Sue Ryder website.

5. How many complaints the charity or anyone acting on its behalf has received about fundraising for the charity.

Sue Ryder received 60 complaints about fundraising in the 2017–18 financial year. This is an 81% decrease in the number of complaints received last year (311). This means, on average, we received five complaints a month about fundraising. All of these complaints were responded to within 10 days of receipt.

We report on the number of complaints we receive in regards to fundraising each year to the Fundraising Regulator. We also publish an internal complaints report that is shared with our Senior Leadership Team (SLT), reviewing complaints and suggesting actions and learning taken from them that have positively impacted on our work.

Sue Ryder has a fundraising complaints policy that outlines how complaints should be dealt with and when serious complaints should be escalated to our SLT, Executive Leadership Team and trustees. This policy is included on our intranet, highlighted quarterly in our Fundraising Operations team newsletter and is part of our training on fundraising compliance. Our donor promise on the Sue Ryder website highlights how an individual can make a complaint and how they can contact us to do so.

6. What the charity has done to protect vulnerable people and others from unreasonable intrusion on a person's privacy, unreasonably persistent approaches or undue pressure to give, in the course of or in connection with fundraising for the charity. Here the charity might report whether it has signed up to receiving suppressions under the Fundraising Preference Service.

Sue Ryder employs a code of conduct to protect vulnerable people, which all face-to-face canvassers and fundraisers must adhere to. There are age limits on who can be approached with a fundraising ask by our canvassers to protect minors and older people who may be vulnerable.

Our Lottery team works with the Gambling Commission to ensure we adhere to the law and offer self-exclusion for individuals who may have issues with gambling.

Sue Ryder is in the process of reviewing and publishing its vulnerable persons policy to ensure all staff have guidance in this area and are comfortable in recognising a person in vulnerable circumstances. All of our direct marketing and thank you letters contain clear instructions as to how a supporter can easily opt out of receiving further communications from the charity should they choose to do so. Sue Ryder has signed up to the Fundraising Preference Service, and received and actioned 16 requests via this channel in 2017–18. We have seven fundraising pledges published on our website and shared with colleagues, which lets our supporters know how we expect our staff to behave.

Structure, governance and management

Objects of the charity

1. To provide or assist in the provision of care for persons suffering from any serious or permanent disability, incapacity or illness.
2. To relieve the needs of those people potentially excluded from society by reason of old age, ill health (physical or mental), disability, poverty or criminal history, and to assist their integration into society for the public benefit.
3. To relieve the consequences of old age through the provision of facilities of any kind for the care of the elderly.
4. To provide education relating to the causes of and the means of relief of ill health, disability and old age.

Council of Trustees

The Council of Trustees, a minimum of seven and a maximum of 12 persons (plus Chair of Trustees), is responsible for the overall governance of Sue Ryder. Trustees are appointed by Council for three years and can be reappointed for further terms of three years up to a maximum of nine years.

Responsibility for the day-to-day running of the charity is delegated to the Chief Executive, who is supported by a group of executives and senior managers. The Chief Executive attends all Council meetings and other executives attend as required.

New trustees are recruited through national advertisements and recruitment consultants, so as to maintain a balance of skills and experience appropriate to the charity's activities. An induction programme is offered to all new trustees to ensure they are briefed on the charity's objects, strategy and activities. Trustees are also offered training as appropriate.

Subcommittees

The Council of Trustees meets five times a year to review the performance of the charity both financially and in meeting its charitable objectives. To discharge its governance responsibilities effectively, Council has created a number of subcommittees (trustees form the membership with managers in attendance), which have delegated powers from the main Council of Trustees.

For the year ending 31st March 2018, these committees and their remits were:

- Finance and Audit Subcommittee (quarterly) – reviews and approves financial results, budgets and other financial governance matters. This committee also oversees risk, other than clinical risk.
- Health and Social Care Subcommittee (quarterly) – supports and develops a sustainable healthcare strategy and oversees clinical risk.
- Commercial Subcommittee (quarterly) – oversees fundraising strategy; reviews and approves major property acquisitions and developments; and reviews the strategic development of retail and business cases.
- Nominations Subcommittee (as required) – selects new members of Council.
- Remuneration Subcommittee (as required) – reviews and agrees changes to terms and conditions of executive management team.
- Ethics Subcommittee (as required) – considers ethical issues.

Structure, governance and management (continued)

Management advisory groups

Management advisory groups (MAGs) have been set up to enable trustees to offer their skills and expertise to managers in the day-to-day delivery and organisation of services.

- People MAG (quarterly) – The group reviews, evaluates and advises on the People strategy and business plans, ensuring that these support the charity to achieve its objectives.

From 1st April 2018, the subcommittees will be as follows:

- Health and Social Care Subcommittee (five times a year) – supports and develops a sustainable healthcare strategy and oversees clinical risk.
- Audit, Risk and Commercial Subcommittee (five times a year) – overseeing risk (except clinical risk), financial governance including internal audit, property management and developments, and fundraising.
- People and Remuneration Subcommittee (five times a year) – incorporating the previous Remuneration Sub Committee and People MAG and covering all aspects of human resources.
- Nominations Subcommittee (as required) – selects new members of Council.
- Ethics Subcommittee (annually) – ethical matters will be included in the remits of all committees and reviewed annually.

Governance, risk management and internal controls

The Trustees regularly review the risks faced by the charity to develop proportionate controls and deliver on the charity's strategic aims.

The main risks being monitored include:

- Delivery of safe, effective and personalised care to the people we support
- Sustainable and stable income streams to support our service development
- Compliance with the requirements of relevant regulators.

Trustees receive regular performance information by way of financial reports and analysis, cash flow forecasts and key performance indicators.

Trustees receive assurance from internal assurance providers that have been assessed as fit for purpose. These are the Clinical Quality team, which reports to the Healthcare Governance Committee, and Internal Audit, which reports to the Finance and Audit Subcommittee (Audit, Risk and Commercial Subcommittee from April 2018). Regular audits are undertaken from a risk-based annual audit plan as approved by the Subcommittee. Progress on audit and risk activity, and implementation of management action plans, are reported on quarterly to the Trustees.

The Trustees note the publication of the Charity Code of Governance in July 2017. We will include information about our review in next year's report.

Financial risk management

Internal controls over all forms of income, assets, commitment and expenditure continue to be refined to improve efficiency. Performance is monitored and appropriate management information is prepared and reviewed regularly, together with proposed corrective actions by both the Chief Executive and the Trustees.

The charity currently produces an annual budget and reports monthly against that budget, requiring senior management to comment on variances and outline corrective action. Updated financial forecasting is undertaken during the year to reflect changes in the operating environment and their impact on income and expenditure.

During the year to 31st March 2018, the charity's planning and reporting processes were represented through the charity's five-year rolling planning process, which supports the charity's long-term strategic goals.

Internal audit

The Internal Audit service has been operating since November 2010 and carries out a programme of internal audits to cover the major risks identified by the Trustees and management. The Finance and Audit Subcommittee has approved the internal audit plan. Audit reports are regularly presented to the Finance and Audit Subcommittee (now known as Audit, Risk and Commercial Committee), together with progress on the implementation of recommendations.

Management and policies

Grant making

Sue Ryder currently provides grant funding to support the ongoing work of independent Sue Ryder organisations in Malawi and Albania.

Foreign exchange

The charity's trading subsidiary, Sue Ryder Direct Limited, purchases new goods from overseas suppliers that require payment in US dollars. These US dollars are purchased at the spot rate to satisfy short-term contractual commitments.

Policy and practice on the payment of creditors

The company complies with best practice and always endeavours to meet the payment terms agreed with suppliers through our procurement and tendering process.

The ratio of amounts owed to trade creditors at the year-end to purchases during the year was 8.90% [2016–17: 5.17%]. This increase was due in part to the Easter weekend, which clashed with our final payment run of the financial year.

Pensions

Sue Ryder operates the following pension schemes:

The Sue Ryder Care Pension Scheme (1992)

This defined contribution group pension scheme with Equitable Life is closed to new members and Sue Ryder no longer makes contributions to this scheme.

Group personal pension plan

Sue Ryder contributes to individual personal pension plans, under a group personal pension plan operated by Zurich.

People's Pension

Sue Ryder provides an auto-enrolment scheme through the People's Pension.

Sue Ryder also contributes to a defined benefit contributory pension scheme on behalf of certain former National Health Service employees. As it is not possible to identify the surpluses or deficits that relate to Sue Ryder, this scheme is treated as a defined contribution scheme under FRS102.

Employment of disabled persons

Sue Ryder is committed to a policy of recruitment and promotion on the basis of aptitude and ability without negative discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises, and the continued employment and retaining of employees who become disabled whilst employed by the charity.

Where a current employee or volunteer becomes disabled due to illness or injury, the charity, wherever possible and reasonable, will provide assistance with rehabilitation, adaptation to premises, modification of equipment, provision of special aids, job restructuring, retraining and/or redeployment opportunities.

Gender pay gap

At Sue Ryder, our mean gender pay gap is 1.39%. This shows that, on average, the hourly rate men are paid is 1.39% higher than the rate women receive. This compares well to the national average of 17.4%. Our median gender pay gap is -4.14%. This is the difference if we line up all salaries and take the middle point; and shows that the median pay point is lower for men. The national figure for this is 18.4%, so we compare very favourably.

We have over 3,000 staff based across the UK; and the gender split is 84% women and 16% men. Although our pay gap figures are low, we still strive to eliminate any gender bias. In 2018–19 we will be appointing a Head of Diversity and Wellbeing, who will champion equality throughout the organisation.

Employee/volunteer involvement

Information about aims and activities is disseminated to all staff and volunteers through management briefings, extended use of our intranet, email and printed publications.

Auditors

BDO LLP was automatically reappointed as auditors of the charitable company.

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

BDO have served as auditors for 10 years and the Trustees have decided to tender for audit services in line with best practice.

Trustees' responsibilities

The Trustees are responsible for preparing the Annual Report and the financial statements in accordance with the Companies Act 2006 and for being satisfied that the financial statements give a true and fair view. The Trustees are also responsible for preparing the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the charity, and of the incoming resources and application of resources for the charity for that period.

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

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The Trustees are responsible for keeping adequate accounting records that show and explain the charity's transactions, disclose with reasonable accuracy at any time the financial position of the charity, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Financial statements are published on the charity's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The Trustees' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Public benefit

The Council of Trustees has given regard to the legislative and regulatory requirements for disclosing how its charitable objectives have provided benefit to the public. The Council of Trustees has complied with the duties set out in section 4 of the Charities Act 2011 (and under the equivalent Charities regulatory regime in Scotland). This report outlines how our achievements during 2017–18 have benefited the public, either directly or indirectly.

The Trustees' Report, incorporating the Strategic Report, is approved by the Council of Trustees and signed on behalf of the Trustees.

Signed



Neil Goulden
Chairman



Infusion Volumes

Rate per 24 hrs
0.6mls/hr
0.8mls/hr
1.0ml/hr
1.5mls/hr

From 31st July 2014 please ensure total volume in driver syringe is made up to 15, 20, 25 or 35mls only. Use this chart to confirm infusion rate and approximate volume remaining at each 4hrly check.

CSCI Infusion Rates and Volumes

Volume to be infused (mls)	Rate per 24 hrs	Volume remaining at 4hrs	Volume remaining at 8hrs	Volume remaining at 12hrs	Volume remaining at 16hrs	Volume remaining at 20hrs	Volume remaining at 24hrs
15mls (20ml syringe)	0.6mls/hr	12.6mls	10.2mls	7.8mls	5.4mls	3mls	0.6mls
20mls (30ml syringe)	0.8mls/hr	16.8mls	13.6mls	10.4mls	7.2mls	4mls	0.8mls
25mls (30ml syringe)	1.0ml/hr	21mls	17mls	13mls	9mls	5mls	1ml
35mls (50ml syringe)	1.5mls/hr	28mls	23mls	17mls	11mls	5mls	0mls

15/Driver in Dominic's office

GLUCOMETER & SUPPLIES

SYRINGE DRIVERS TO BE RETURNED

MEDICINAL SHARPS

sharpsafe
DANGER
CONTAMINATED SHARPS ONLY
WARNING: DO NOT FILL ABOVE THE LINE TO BE INCHES FROM TOP

Our accounts

Legal and administrative details and financial statements

For the year ending 31 March 2018

Status

Sue Ryder is a charitable company limited by guarantee, incorporated on 28th November 1968 (last amended on 12th September 2012) and registered as a charity in England and Wales on 17th January 1996 and in Scotland on 14th May 2008.

Governing document

Sue Ryder was established under a memorandum of association and is governed under its articles of association, which establish the objects and powers of the organisation.

Company number	943228
Charity number	1052076
Scottish charity number	SC039578

Registered office

King's House, King Street, Sudbury, Suffolk CO10 2ED

Principal office

183 Eversholt Street, London, NW1 1BU

Royal patron

Her Majesty The Queen

Council of Trustees

Unless otherwise indicated the Trustees below were in post from 1st April 2017 to the date of the Trustees' Report. Membership of subcommittees and/or management advisory groups (MAGs) is also indicated.

Roger Paffard

Chair of Trustees (retired 12th July 2017)

Chair of Nominations Subcommittee

Roger Paffard's career has spanned the business, public and voluntary sectors in a variety of chief executive and non-executive roles. He has been a chief executive of Alberto toiletries, Staples office superstores and Thornton's chocolates. In the last decade he has worked in the public and voluntary sectors – initially as chief executive of Remploy and then as chief executive of United Lincolnshire NHS Trust.

Over this period Roger has also been a trustee and policy advisor for Marie Curie, a trustee for the Royal Voluntary Service (RVS), a strategy consultant and a trustee for a number of educational and funding charities. He was non-executive vice-chair for Newark and Sherwood NHS Clinical Commissioning Group until the end of 2016. Roger is currently Chair of the South London and Maudsley Mental Health NHS trust.

Subcommittees/MAGs: Health and Social Care; Finance and Audit (co-opted); Commercial; Remuneration; Nominations

Neil Goulden

Chair of Trustees (from 12th July 2017)

Chair of Finance and Audit Subcommittee (until 13th September 2017)

Director of Sue Ryder Direct Limited

Director of Sue Ryder Lottery Limited

Neil spent 13 years as group managing director, chief executive, chairman and chairman emeritus of the Gala Coral Group, who were a major corporate sponsor of Sue Ryder. He stepped down from the company in 2014. Neil was formerly chief executive of Allied Leisure plc and has also held board positions at Compass Group and Ladbrokes.

Neil's key interests are health, housing and social care. He is the Chairman of Clarion Housing Association. He is also a Companion of the Institute of Management, a Chairman of Governors at Nottingham Trent University and a trustee of Ambitious about Autism.

Subcommittees/MAGs: As chair, Neil attends all subcommittees.

Keith Cameron

Vice Chair of Trustees (retired 22nd April 2018)

Chair of Commercial Subcommittee

Chair of Remuneration Subcommittee

Director of Sue Ryder Direct Limited

Director of Sue Ryder Lottery Limited

Keith Cameron brought a wealth of experience in high-level high street retail management to the Council of Trustees. Keith was previously the chief operating officer for The Burton Group plc/Arcadia Group plc and latterly HR director for Marks and Spencer plc. Keith is currently Vice Chair of Affinity Trust Ltd and Young Epilepsy, and a Director of Imperial War Museum Trading Co Ltd.

Subcommittees/MAGs: Finance and Audit; Commercial; Nominations; Remuneration; People

Margaret Moore

Vice Chair of Trustees (from May 2018)

Chair of Health and Social Care Subcommittee (until May 2018)

Chair of People and Remuneration

Subcommittee (from May 2018)

Director of Duchess of Kent House Charity

Margaret was head of the competition and regulatory practice at city law firm Travers Smith LLP and a partner in the firm for over 20 years. She is Vice-Chair of the Fundraising Regulator, the independent regulator of charitable fundraising that was established to strengthen the system of charity regulation and restore public trust in fundraising. She is also a trustee of Great Britain Wheelchair Rugby, the national governing body of the sport; and a governor of the Royal High School, Bath, a member of The Girls' Day School Trust.

Subcommittees/MAGs: Health and Social Care; Ethics; Finance and Audit; Commercial [From May 2018: Health and Social Care; Audit, Risk and Commercial; People and Remuneration; Ethics; Nominations]

Michael Attwood

Mike has spent over 25 years as an NHS leader. He took on the leadership of the Total Place Programme for Coventry, Solihull and Warwickshire in December 2009; and from there was asked to lead the wider collaborative 'better for less' transformation programme across 15 public sector organisations on the patch. Mike joined Coventry Primary Care Trust (PCT) as joint chief executive in June 2005 and was previously chief executive at Slough Teaching PCT from 2001 to 2005. At Coventry PCT, Mike took the organisation through financial turn-around and worked closely with Coventry City Council to establish a newly funded, innovative Health Improvement Partnership, as well as agreement on plans for a major city centre health facility. Mike is a leadership coach and public service organisational development consultant.

Subcommittees/MAGs: Health and Social Care; Ethics; Nominations; Finance and Audit; Remuneration; People [From May 2018: Health and Social Care; Ethics; People and Remuneration]

Legal and administrative details and financial statements

For the year ending 31 March 2018

Katherine Buxton (appointed 20th April 2018)

Katherine works as a Consultant in Palliative Medicine at Imperial College in London. Since her appointment five years ago, she has developed and led on numerous projects focused around her interests of improving planned care pathways and the electronic co-ordination of care across the healthcare settings. She is currently co-chairing the clinical design group for the NHS Digital Programme End of Life Care work-stream, which is working on an integrated London-wide digital solution for the sharing of care plans.

Katherine has recently been appointed as Medical End of Life Care Lead for Imperial College and is focused on ensuring the delivery of good end of life care within the trust, particularly rapid discharge in line with patient preferences, and improving shared working with speciality teams, especially around the point of hospital admission.

Subcommittees/MAGs: Health and Social Care

Jeremy Chataway (appointed 8th November 2017)

After qualifying in medicine at Cambridge and Oxford Universities, and general medical training in London, Jeremy specialised in neurology over an eight-year period with posts in Edinburgh, Cambridge and the National Hospital for Neurology and Neurosurgery (NHNN) in London. He took up the post as a consultant neurologist at the NHNN in 2001. He is a general consultant neurologist fully familiar with managing diverse conditions such as dementia, motor neurone disease and stroke, at all stages of disability, with a focus on multiple sclerosis (MS). He combines an NHS clinical role in MS with an academic role in clinical trials and their design, again in MS.

Subcommittees/MAGs: Health and Social Care; Ethics

Jason Davies (appointed 1st August 2017) Chair of Financial and Audit Subcommittee (from 15th November 2017)

Chair of Audit, Risk and Commercial Subcommittee (from May 2018)

Jason is the Chief Audit and Risk Officer at Tesco PLC and a trustee of the Tesco Pension Scheme. Before joining Tesco, Jason was a partner at Deloitte for nine years, working across a range of industries. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW) and has a Master of Business Administration (MBA) degree from Manchester Business School. Jason was a member of the Audit and Risk Committee of the General Dental Council from 2016 to 2018.

Subcommittees/MAGs: Finance and Audit; Commercial [From May 2018: Audit, Risk and Commercial]

Murray Duncanson

Murray Duncanson began his NHS career as a fast-track graduate trainee with spells in London teaching hospitals followed by further management posts in London and Essex. In 2007, Murray left the NHS after 30 years of service. For the previous 16 years, Murray had been chief executive of three different NHS trusts in Colchester, Barnet and latterly Lothian in Scotland, with a year at the Department of Health on a prison health taskforce. Outside of the NHS, he was a trustee of Elizabeth Fitzroy Support, a national charity for people with learning disabilities, as well as vice chair of NHS Education Scotland and chairman of the Company of Chemists Association. Murray currently runs his own coaching and consultancy company based in North Berwick in Scotland.

Subcommittees/MAGs: Health and Social Care; People [From May 2018: Health and Social Care; People and Remuneration]

Nicola Hayes (appointed 1st August 2017)

Nicola has over 25 years industry experience, predominantly in financial services. Nicola worked for Invesco Perpetual for 12 years in a variety of roles including head of investment consulting and head of overseas sales. She worked for Baring Asset Management from 2013 to 2017 as global head of client service and relationship management, and sat on eight listed fund boards in four different countries as a non-executive director. She was authorised by four different financial regulators, including the Financial Conduct Authority in the UK, and had regulatory responsibility on the boards for investment, operations and distribution.

Subcommittees/MAGs: Finance and Audit; Commercial [From May 2018: Audit, Risk and Commercial]

Stuart Hudson

Stuart Hudson's career spans leadership roles in public policy and corporate communications. Stuart has a Bachelor's degree in history and politics from the University of Oxford and a Master's degree in finance from the University of London. After qualifying in EU and UK competition policy, Stuart led government relations at the British energy regulator, Ofgem. During the global financial crisis he was appointed special adviser to the then Prime Minister and today he is a partner at the consulting firm Brunswick. Stuart specialises in cross-border mergers and acquisitions, and has experience of leading teams across multiple jurisdictions and working in sectors including healthcare, financial services, industrials and utilities.

Subcommittees/MAGs: Finance and Audit; Commercial [From May 2018: Audit, Risk and Commercial]

Lucinda Riches CBE (retired 12th July 2017)

Lucinda Riches was formerly an investment banker, beginning her career at Chase Manhattan Bank. Lucinda worked at UBS and its predecessor firms for 21 years. At UBS, she was a managing director, Global Head of Equity Capital Markets and a member of the Board of the Investment Bank.

Lucinda is currently a non-executive director of UK Financial Investments Limited, The Diverse Income Trust plc, ICG Enterprise Trust PLC, CRH plc, Ashtead Group plc and The British Standards Institution.

Subcommittees/MAGs: Finance and Audit; Commercial

Kevin Rusling (From 23rd May 2018)

With over 20 years' experience in retail, Kevin is currently Managing Director at the global retailer Mothercare. Kevin's early career at Marks and Spencer gave him excellent grounding in retail and he went on to lead teams at Walmart and Monsoon Accessorize prior to joining Mothercare to lead the transformation of its international business.

Kevin's expertise lies in shaping and delivering a strategic vision across challenging, international business portfolios. He brings tremendous energy, drive and exceptional focus and works with not-for-profit organisations, enabling companies from non-retail sectors to benefit from his experience.

Subcommittees/MAGs: Finance and Audit; Commercial [From May 2018: Audit, Risk and Commercial]

Legal and administrative details and financial statements

For the year ending 31 March 2018

Helen Thomson

Chair of Health and Social Care Subcommittee (from May 2018)

Helen has over 20 years of experience as a chief nurse and deputy CEO within the NHS. She is a registered nurse and midwife, and also has a number of years of experience as a coach. Upon retiring from the NHS in 2014, she formed her own business offering consultancy and coaching. She is an Associate of the Florence Nightingale Foundation, a Clinical Associate with Ernst Young and a Council Member of the University of Huddersfield. She was also appointed Deputy Lieutenant for West Yorkshire in 2012.

Subcommittees/MAGs: Health and Social Care

Dr Diana Walford CBE (retired 12th July 2017)

Dr Diana Walford was Principal of Mansfield College, University of Oxford, from 2002 to 2011. After qualifying in medicine in 1968, Diana trained as a clinical haematologist before moving to the Department of Health in 1976. After holding a number of senior posts in the department, she was appointed a deputy chief medical officer for England and director of healthcare on the NHS Management Executive in 1989. Between 1993 and 2002 she was director (CEO) of the Public Health Laboratory Service, a non-departmental public body with responsibility for the surveillance and prevention of infections in England and Wales.

Currently Diana holds non-executive posts as Pro-Chancellor and Chair of the Board of Trustees of Regent's University London; Deputy Chairman of the Council of the London School of Hygiene and Tropical Medicine; Non-Executive Director of University College London Hospitals NHS Foundation Trust; Governor of the Ditchley Foundation; and is an Honorary Fellow of Mansfield College and Fellow of the RSA, RCP, RCPATH and FPH.

Subcommittees/MAGs: Health and Social Care; Ethics

Peta Wilkinson

(retired 12th July 2017)

Peta has spent a large part of her career influencing and improving life outcomes, independence, choice and control for disabled and vulnerable people. Her focus has been on finding innovative ways of ensuring that the voice of the people we support is both heard, and a fundamental part of the design and development of the organisation and the services it delivers.

In her recent role as CEO at Enham Trust, Peta drove forward personalisation through a fundamental service and organisational re-design process. This included establishing a partnership board to engage clients, residents and customers in the work of the charity, to ensure their voices shape the organisation, its development and its services. Peta has previously held executive director and CEO roles within the NHS and the charitable sectors.

Subcommittees/MAGs: Health and Social Care

John Wythe

John Wythe has over 35 years of experience in the property industry and spent the whole of his executive career with Prudential Corporation's property investment management subsidiary, PRUPIM, retiring from the Board and as Head of Fund Management in 2010.

Between 2007 and 2016, John served as a Church Commissioner on the Board of Governors, the Assets Committee and as Chairman of the Property Group. More recently he has been appointed to serve on boards or committees by Norges Bank, DTZ, The Portman Estate and Pollen Estate, and is an adviser to AIA.

Subcommittees/MAGs: Finance and Audit; Commercial [From May 2018: Audit, Risk and Commercial]

Auditors

BDO LLP, 2 City Place, Beehive Ring Road, Gatwick, West Sussex, RH6 0PA

Bankers

Lloyds TSB plc, Cornhill, Ipswich, IP1 1DG

Solicitors

Eversheds, Bridgewater Place, Water Lane, Leeds, LS11 5DR

Willans, 28 Imperial Square, Cheltenham, Gloucestershire, GL50 1RH

Investment Advisers

Cazenove Capital, 12 Moorgate, London, EC2R 6DA

The Executive Leadership Team

Chief Executive

Heidi Travis

Company Secretary and General Counsel

Helen Organ

Director of Finance

Alan Bowers

Director of People

Tracey Taylor-Huckfield

Director of Retail, Marketing and Communications

David Borrett

Director of Fundraising and Hospices

Holly Spiers

Director of Neurological Services and Scotland

Pamela Mackenzie

Medical Director

Dr John Hughes

Chief Nurse

Sue Hogston (until 31st October 2017)

Acting Chief Nurse

Jane Turner (from 1st November 2017)

Interim Director of Development

Rod Morgan

Independent Auditor's Report

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31st March 2018 and of the Group's incoming resources and application of resources 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, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006, as amended in 2010.

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 and the Parent Charitable Company in accordance with the ethical requirements 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.

Conclusions related 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 or the Parent Charitable Company's ability to continue to adopt the going concern basis of accounting for a period of at least 12 months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Trustees' Report and Accounts, other than the financial statements and our auditor's report thereon. The other information comprises: Trustees' Report. The Trustees are responsible for the other information.

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, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatement in the Strategic report or the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 requires us to report to you if, in our opinion;

- proper and adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the Parent Charitable Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate

the Group or the Parent Charitable Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

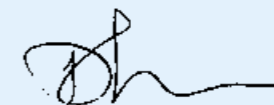
We have been appointed as Auditor under section 44(1) (c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

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

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the Charitable Company's trustees, as a body, in accordance with the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the Charitable Company's members and trustees 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, the Charitable Company's members as a body and the Charitable Company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Don Bawtree (senior statutory auditor)

Date: 20/08/2018

For and on behalf of BDO LLP, statutory auditor
Gatwick, West Sussex

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Consolidated statement of financial activities

For the year ending 31 March 2018

Note	Unrestricted funds £000s	Restricted funds £000s	Total 2017-18 £000s	Unrestricted funds £000s	Restricted funds £000s	Total 2016-17 £000s Restated	
Income:							
Donations and legacies	3	3,627	11,833	15,460	165	12,645	12,810
Charitable activities	4	28,674	-	28,674	28,700	-	28,700
Other trading activities	5	57,307	44	57,351	57,062	38	57,100
Investment income	6	186	-	186	255	-	255
Total Income		89,794	11,877	101,671	86,182	12,683	98,865
Expenditure:							
Raising funds							
Fundraising costs		4,886	59	4,945	4,823	-	4,823
Retail costs		52,017	11	52,028	49,899	38	49,937
Investment management costs		26	-	26	24	-	24
Total expenditure on raising funds		56,929	70	56,999	54,746	38	54,784
Charitable activities							
End of life care		14,967	10,594	25,561	16,807	9,794	26,601
Long-term neurological care		16,457	216	16,673	12,508	2,683	15,191
Homecare		2,710	1	2,711	2,113	25	2,138
International	8	250	2	252	258	2	260
Total expenditure on charitable activities		34,384	10,813	45,197	31,686	12,504	44,190
Expenditure subtotal	7	91,313	10,883	102,196	86,432	12,542	98,974
Net surplus/(deficit) for the year before impairment and disposal of fixed assets		(1,519)	994	(525)	(250)	141	(109)
Other expenditure							
Impairment of fixed assets* (see note 11)		1,942	-	1,942	-	-	-
Loss on disposal of assets		61	-	61	132	-	132
Total other expenditure	7	2,003	-	2,003	132	-	132
Total expenditure		93,316	10,883	104,199	86,564	12,542	99,106

Note	Unrestricted funds £000s	Restricted funds £000s	Total 2017-18 £000s	Unrestricted funds £000s	Restricted funds £000s	Total 2016-17 £000s Restated	
(Loss)/Gains on investment assets	12	(222)	-	(222)	1,217	-	1,217
Net (expenditure)/ income for the year before transfers		(3,744)	994	(2,750)	835	141	976
Taxation charge	9	-	-	-	(3)	-	(3)
Net (expenditure)/ income for the year after taxation		(3,744)	994	(2,750)	832	141	973
Transfer between funds	19,20	237	(237)	-	107	(107)	-
Other recognised (losses):							
Loss on revaluation of fixed assets		(512)	-	(512)	-	-	-
Net movement of funds		(4,019)	757	(3,262)	939	34	973
Reconciliation of funds:							
Total funds brought forward		58,447	325	58,772	57,508	291	57,799
Net movement of funds for the year		(4,019)	757	(3,262)	939	34	973
Total funds carried forward as at 31 March 2018		54,428	1,082	55,510	58,447	325	58,772

The Statement of Financial Activities includes all gains and losses recognised in the 12-month period.

All amounts relate to continuing activities.

The notes on pages 52 to 79 form part of these financial statements.

Balance sheet

For the year ending 31 March 2018

Company number: 00943228

	Note	Consolidated 31 March		Charity 31 March	
		2018 £000s	2017 £000s	2018 £000s	2017 £000s
Fixed assets					
Tangible assets	11	37,421	40,183	37,415	40,174
Investments	12	9,605	9,692	9,605	9,692
		<u>47,026</u>	<u>49,875</u>	<u>47,020</u>	<u>49,866</u>
Current assets					
Programme-related investments –					
due within one year	13	-	350	-	350
Freehold properties held for sale	14	730	-	730	-
Stocks – new goods for resale		2,214	2,169	-	-
Debtors	15	12,107	12,339	14,022	14,177
Cash at bank and in hand		5,466	4,471	5,093	4,405
		<u>20,517</u>	<u>19,329</u>	<u>19,845</u>	<u>18,932</u>
Liabilities					
Creditors: amounts falling due within one year	16	(9,724)	(9,022)	(9,131)	(8,621)
Creditors: amounts falling due after one year	17	(436)	(992)	(436)	(992)
Provisions for liabilities	18	(1,873)	(418)	(1,794)	(418)
		<u>(12,033)</u>	<u>(10,432)</u>	<u>(11,361)</u>	<u>(10,031)</u>
Net current assets		<u>8,484</u>	<u>8,897</u>	<u>8,484</u>	<u>8,901</u>
Total net assets		<u>55,510</u>	<u>58,772</u>	<u>54,504</u>	<u>58,767</u>
Funds of the charity					
Income funds					
Unrestricted funds:					
Property revaluation reserve	19	14,811	15,553	14,811	15,553
Unrestricted general funds	19	39,617	42,894	39,611	42,889
Total unrestricted funds		<u>54,428</u>	<u>58,447</u>	<u>54,422</u>	<u>58,442</u>
Restricted funds	20	1,082	325	1,082	325
Total funds		<u>55,510</u>	<u>58,772</u>	<u>55,504</u>	<u>58,767</u>

The notes on pages 52 to 79 form part of these financial statements.

No charity Statement of Financial Activity is presented as permitted, by section 408 of the Companies Act 2006.

The charity's deficit for the financial period is £3,262,878 and the income for the charity is £93,205,719.

Approved and authorised for issue by the Council of Trustees on 17th July 2018 and signed on its behalf by



Neil Goulden
Chair of Trustees

Consolidated cash flow statement

to 31 March 2018

	Note	Consolidated 2017–18 £000s	Consolidated 2016–17 £000s
Cash flows from operating activities			
Net cash provided by / (used in) operating activities	26	<u>3,510</u>	<u>3,052</u>
Cash flows from investing activities			
Investment income received		186	255
Net receipts from sales of fixed assets/held for sale		29	935
Payments to acquire tangible fixed assets	11	(3,029)	(3,732)
Receipts from sale of investments	12	2,182	1,898
Purchase of investments	12	(2,253)	(1,579)
Repayment of programme-related investments	13	350	350
Net cash (used in) investing activities		<u>(2,535)</u>	<u>(1,873)</u>
Change in cash and cash equivalents during the year		<u>975</u>	<u>1,179</u>
Cash and cash equivalents at the beginning of the reporting period		4,471	3,291
Change in cash and cash equivalents due to exchange rate movements		20	1
Cash and cash equivalents as at the end of the reporting period		<u>5,466</u>	<u>4,471</u>

Notes to the accounts

1. Accounting policies

(a) Basis of preparation

The financial statements have been prepared in accordance with the accounting policies set out below, Charities Act 2011, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) (Effective January 2015) - Charities SORP (FRS102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006, The Charities Accounts (Scotland) Regulations 2006 (as amended) the Charities and Trustees Investment (Scotland) Act 2005.

Sue Ryder meets the definition of a public benefit entity under FRS102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

No material uncertainties that may cast significant doubt about the ability of the charity to continue as a going concern have been identified by the Trustees and therefore these accounts have been prepared on a going concern basis.

(b) Consolidated financial statements

Consolidated financial statements have been prepared in respect of Sue Ryder, its wholly-owned trading subsidiaries, Sue Ryder Direct Limited, Woburn Property Investment Company Ltd and Sue Ryder Lottery Ltd and subsidiary charity Duchess of Kent House Charity and linked charity Sue Ryder Care (Chantry).

(c) Restricted funds

Restricted funds are those that are subject to specific conditions imposed by donors or grant-making organisations.

(d) Unrestricted general fund

The General Fund is comprised of accumulated surpluses and deficits in the Statement of Financial Activities after any transfers between funds.

(e) Income

Income for the provision of care services, principally from Clinical Commissioning Groups and local authorities, is recorded on a receivable basis in respect of the services provided.

Interest receivable is accrued on a day-to-day basis, and other investment income is recognised on receipt.

Donations are shown as income on receipt, unless there is earlier evidence of entitlement and the amount can be measured reliably. Legacy income is recognised when there is legal entitlement (from date of probate, or from receipt if earlier), receipt is probable (there are no material uncertainties on the estate) and the amount can be measured reliably (financial information in respect of the estate has been received). A 10% provision is made as an estimate to allow for legal costs and diminution in estate assets. Where legacies have been notified to the charity but these criteria are not fully met, the legacy is treated as a contingent asset and disclosed if material (see note 15).

Income in the charity's wholly-owned subsidiaries is included under other trading income. Income is accounted for on an accruals basis. New goods income represents the value of new goods sold after trade discounts and net of value-added tax (VAT).

Tax rebates under Gift Aid are accrued for in accordance with the appropriate Gift Aid rules.

Gifts donated for resale are included as income when they are sold. No amounts are included in the financial statements for services donated by volunteers.

Gift Aid income claimed under the UK retail Gift Aid scheme is estimated and accrued at the point of sale.

Notes to the accounts

1. Accounting policies (continued)

(f) Expenditure

All expenditure is accounted for on an accruals basis and grants are recognised when a constructive or actual obligation arises.

Costs are allocated to the Cost of Raising Funds and Charitable Activities on the basis of direct allocation and apportionment of support costs as detailed in note 7.

Costs of Raising Funds include fundraising, all retail and property trading activities and the costs of managing the investment portfolio.

Charitable Activities include the costs of care provided, grants to the independent Sue Ryder charities abroad and funding for research and service improvement.

(g) Fixed assets

Tangible fixed assets are included in the financial statements at cost less depreciation with the exception of freehold land and buildings. Items with a value of £1,000 or more and with a useful life of more than one year are capitalised. Where assets are valued at less than £1,000 but form part of a group of assets (e.g. a computer network) that totals more than £1,000 they are capitalised.

Depreciation is provided to write off assets over their estimated useful lives at the following annual rates. Management undertake a review of useful economic lives where appropriate.

Asset Category	Depreciation rate
Freehold land	Not depreciated
Freehold buildings	2.5% per annum
Leasehold buildings	Over the lesser of the term of the lease or the life of the asset in its current use
Care centre fixtures and fittings	10–25% of the reducing balance
Retail shops fixtures and fittings	20% of the original cost
Computer equipment and software	33.33% of the original cost
Motor vehicles	25% of the reducing balance

Profits or losses on disposal of fixed assets are calculated as proceeds after any legal and other associated costs less the net book value at time of disposal.

Freehold and leasehold properties no longer being used are shown at net realisable value at the point the decision was made to dispose of the asset. Any properties that are being actively marketed at the year-end are transferred to current assets.

(h) Stocks – new goods for resale

Stocks are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow-moving items, based on the principle of first in, first out.

The Trustees do not consider it appropriate to recognise donated goods for resale as stock on the balance sheet on the grounds that the cost of obtaining stock information would be outweighed by any benefit.

(i) Pension costs

A defined contribution scheme is available to eligible employees with contributions payable by both Sue Ryder and the members. The contributions are charged to expenditure in the year they are payable to the scheme.

Sue Ryder contributes to defined benefit contributory pension schemes on behalf of certain former National Health Service employees. These contributions are fixed by reference to quinquennial valuations by the Government actuary. The contributions are charged to expenditure on the basis of ensuring a level charge over the remaining service lives of employees. Information is not available to identify the surpluses or deficits that relate to Sue Ryder, and as a result of this, the scheme is treated as a defined contribution scheme under the provisions of FRS 102.

Notes to the accounts

1. Accounting policies (continued)

(j) VAT

Sue Ryder bears value-added tax to the extent that there is no recovery in respect of the care centres' expenditure of a revenue or capital nature and only partial recovery in respect of administrative expenditure. Irrecoverable VAT is allocated across the expenses that give rise to the tax.

(k) Investments

Investments are stated at market value at the Balance Sheet date. Realised and unrealised gains are recorded in the statement of financial activities.

Programme-related investments are valued at historical cost.

(l) Leasing

Plant and machinery/fixtures and fittings

Rentals paid under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to expenditure as incurred.

Assets held under finance leases are capitalised on project completion and disclosed under tangible fixed assets at their net book value. The capital element of the future payments is treated as a liability and the interest is charged to the statement of financial activities on a straight-line basis.

Property

Rentals paid under operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to expenditure as incurred.

Property lease premiums are expensed over the primary period of the lease.

The effect of any rent-free period or other lease incentives received is spread over the primary period of the lease.

Rent received under operating leases where substantially all of the benefits and risks of ownership remain with the lessee are recognised as income when due.

(m) Taxation

The company is a charity within the meaning of para 1 Schedule 6 Finance Act 2010. Accordingly the company is potentially exempt from taxation in respect of income or capital gains within categories covered by Chapter 3 of Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes. No tax charge arose in the period.

The subsidiary companies make qualifying donations of all taxable profits to Sue Ryder, keeping reserves in the subsidiary Sue Ryder Direct above an agreed level.

No provision for deferred tax is made in the subsidiaries' accounts, as in the view of the Trustees any tax charge in the subsidiaries will be minimal due to the arrangements to gift their taxable profits to the parent charity.

Notes to the accounts

1. Accounting policies (continued)

(n) Grants

Grant income

Grants are recognised on a receivable basis.

Grant expenditure

Sue Ryder awards grants to support the work of Sue Ryder organisations overseas. These are recognised when there is a valid expectation by the grantee that the amount will be paid.

(o) Foreign currency transactions

Charity

Sue Ryder accounts for foreign currency purchases at the rate prevailing at the time the currency is bought. All other transactions during the year are calculated using the previous month's average rate. Assets and liabilities held in foreign currency at the balance sheet date are valued at the rate prevailing at that date. Differences on exchange are taken to the Statement of Financial Activities.

(p) Debtors and prepayments

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

(q) Creditors and provisions

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

(r) Financial instruments

The charity has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Notes to the accounts

2. Accounting estimates and judgements

a) Accounting estimates and judgements

In preparing these financial statements within the accounting frameworks set out in Note 1(a), the Trustees are required to adopt those accounting policies most appropriate to the charity's circumstances with a view to presenting fairly the charity's financial position. In determining and applying accounting policies, the Trustees make estimates and judgements, and the matters set out below are considered to be the most important in understanding the judgements that have been involved in preparing the financial statements and the uncertainties that could impact the amounts reported.

b) Fair value of tangible assets

FRS 102 requires that property is held at cost or valuation. The Trustees obtained valuations for property at 1st April 2014 to ensure the carrying value is a reliable estimate. In determining the value of the charity's freehold properties, Trustees have relied on estimates provided by professionally qualified advisers as described in note 11. Trustees considered that historic cost was the most appropriate basis to state the fair value of Thorpe Hall at the time and still consider this to be relevant.

At the end of the year Holme Hall was closed. After taking advice from local and commercial agents, the Trustees have decided to place the property on the market, but have prudently valued it at nil given its unique nature and rural positioning.

c) Estimation of assets' useful lives

The charge in respect of periodic depreciation is derived from determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. These estimates of lives by asset category are set out in Note 1(g). The useful lives and residual values of the charity's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The Trustees determined that the main freehold properties lives do not need to be altered to reflect their anticipated useful lives taking into account their physical condition, the services being provided from them and the planned maintenance programme.

d) Provision for doubtful debts

Provisions have been made against invoiced debts where the collectability of these debts is uncertain. Debts over 12 months old are provided for in full and debts between four months and 12 months are provided for at 50% of their value.

Notes to the accounts

e) Cost allocations

Support costs not directly attributable to a single activity, such as IT, Finance and HR are allocated to activities using suitable cost drivers for that cost category. Examples of cost drivers used can be found in note 7.

f) Provision for dilapidations

The methodology for calculating the provision has been reviewed during the year. It is now calculated using an average dilapidation cost per square foot for all properties vacated during the previous two years. The average cost is applied to the square footage of all properties in the estate to calculate the expected liability at the end of the lease. The provision is recognised on a straight line basis over the life of the lease and discounted back from the lease end date to the balance sheet date using a rate of 4%. The impact is a significant increase in the provision at the end of the year.

g) Provision for slow-moving and obsolescent stock

Stock is shown at the lower of cost or net realisable value. Where stock is discounted to less than cost price it is provided for at the lower of cost and net realisable value. Provisions have been made for slow-moving and obsolete stock. Slow-moving stock over 18 months old is provided for at 100% of cost.

h) Key sources of estimation uncertainty

Management and Trustees have reviewed the key sources of estimation uncertainty at the reporting date and do not consider there to be a significant risk of causing a material misstatement in the carrying value of the assets and liabilities in the next financial year.

3. Income from grants, donations and legacies

	2017-18 £000s	2016-17 £000s
Legacies	6,044	3,816
Donations and other voluntary income	9,416	8,994
Total	15,460	12,810

Notes to the accounts

4. Income from charitable activities

	2017-18 £000s	2016-17 £000s
Provision of end of life care:		
NHS and local authorities	11,097	11,707
Private care	34	50
Other	629	986
Provision of long-term neurological care:		
NHS and local authorities	12,557	12,608
Private care	686	800
Other	470	84
Homecare:		
Local authorities and other commissioners	3,199	2,464
Other	2	1
Total	28,674	28,700

5. Income from other trading activities

	2017-18 £000s	2016-17 £000s
Income		
Fundraising events	126	138
Shop income from selling donated and bought in goods	55,822	55,637
Income from Sue Ryder lottery	1,307	829
Income from Sue Ryder lottery scratchcards	-	397
Property letting and licensing	96	99
Total	57,351	57,100

6. Investment income

	2017-18 £000s	2016-17 £000s
Dividends	166	220
Bank interest received	20	35
Total	186	255

Notes to the accounts

7. Expenditure

	Activities Undertaken Directly £000s	Grant funding of activities £000s	Support Costs £000s	Total 2017-18 £000s	Total 2016-17 £000s
Charitable activities					
End of life care	23,235	-	2,326	25,561	26,601
Long-term neurological care	15,406	-	1,267	16,673	15,191
Homecare	2,543	-	168	2,711	2,138
Support for International	22	230	-	252	260
Total charitable activities	41,206	230	3,761	45,197	44,190
Raising funds					
Raising funds – fundraising costs	4,805	-	140	4,945	4,823
Raising funds – retail costs	46,897	-	5,131	52,028	49,937
Investment management costs	26	-	-	26	24
Total cost of raising funds	51,728	-	5,271	56,999	54,784
Expenditure sub-total	92,934	230	9,032	102,196	98,974
Other expenditure					
Impairment of fixed assets	1,942	-	-	1,942	-
Loss on disposal of fixed assets	61	-	-	61	132
Total expenditure	94,937	230	9,032	104,199	99,106

At the end of the year Holme Hall was closed. After taking advice from local and commercial agents the Trustees have decided to place the property on the market, but have prudently valued it at nil given its unique nature and rural positioning. The impairment of fixed assets relates to the expected write down of this property on disposal at a nil sale value.

No emoluments are payable to any trustee and only directly incurred travel expenses are reimbursed. During the period, travel expenses of £4,021 (2016-17: £5,486) were reimbursed to six trustees (2016-17: 7). The charity also incurred expenditure of £3,584 in respect of Directors' and Officers' liability insurance for the period (2016-17: £3,520).

During the period £1,669 was reimbursed to the Chief Executive in expenses claimed (2016-17: £1,391).

Notes to the accounts

Analysis of support costs allocated

2017-18	Total £000s	Central Management and Admin £000s	Finance £000s	Human Resources £000s	IT £000s	Legal and Property Services £000s	Marketing and Communications £000s
Activity							
End of life care	2,326	386	237	403	565	377	358
Long-term neurological care	1,267	210	129	220	308	205	195
Homecare	168	28	17	29	41	27	26
Retail shops	5,131	851	522	889	1,247	832	790
Fundraising	140	23	14	24	34	23	22
Total support costs allocated 2017-18	9,032	1,498	919	1,565	2,195	1,464	1,391

2016-17	Total £000s	Central Management and Admin £000s	Finance £000s	Human Resources £000s	IT £000s	Legal and Property Services £000s	Marketing and Communications £000s
Activity							
End of life care	2,336	322	494	419	501	306	294
Long-term neurological care	1,040	144	220	186	223	136	131
Homecare	214	30	45	38	46	28	27
Retail shops	5,240	724	1,108	939	1,124	686	659
Fundraising	116	16	24	21	25	15	15
Total support costs allocated 2016-17	8,946	1,236	1,891	1,603	1,919	1,171	1,126

Notes to the accounts

Support Service	Allocation basis
Central Management and Admin	Turnover
Finance	Job roles; non-pay spend (irrecoverable VAT); budget cost base
Human Resources	Headcount
Legal and Property	Turnover; number of properties
IT Services	Turnover
Marketing and Communications	Turnover

Included within central management and admin costs are governance costs of £328,278 (2016-17: £308,735).

These are detailed below

Governance	2017-18 £000s	2016-17 £000s
Staff costs	160	152
Auditors' fees	64	52
Legal and professional fees	63	46
Meeting, travel and associated costs	22	19
Training costs	10	28
Other costs	9	11
	328	308

Auditors' fees identified here are those relating to central charity governance. Total fees paid to the auditors in the year, including subsidiaries, are broken down further on within this note.

The following items have been charged within total expenditure:	2017-18 £000s	2016-17 £000s
Depreciation	3,247	3,890
Operating leases:	11,215	10,941
Land and buildings	10,628	10,300
Motor vehicles	519	588
Other	68	53
Auditors' remuneration		
Audit	68	63
Charity	54	50
Trading subsidiaries	14	13
Other services	16	26
Tax compliance	8	21
Tax advisory	8	5
Trustee indemnity insurance	4	4
Defined Contribution Pension Costs (Note 10)	1,277	1,315

Notes to the accounts

8. International grant expenditure

An independent Sue Ryder charity operates in each of the countries shown below. The organisations are independent of this charity but bear the name Sue Ryder.

	2017–18 £000s	2016–17 £000s
Grants awarded		
Albania	80	80
Malawi	150	180
Total grants	230	260
General support, monitoring and administration expenditure	22	-
Total international	252	260

9. Taxation

The subsidiary companies make qualifying donations of taxable profits to Sue Ryder. No corporation tax liability on the subsidiaries arises in the accounts. A corporation taxation charge of £nil (2016–17; £2,825) arose in Sue Ryder Direct Limited during the year.

The charity is registered for VAT and £5,138,000 out of £5,734,000 incurred (2016–17; £4,015,000 out of £5,062,000) was recoverable. All VAT incurred by Sue Ryder Direct Ltd, the wholly-owned subsidiary of the charity is fully recoverable.

As a result of the change in Hospice VAT recovery under Section 33 of the VAT rules, the charity recovered VAT paid on palliative expenditure and the associated partial exemptions from 1st April 2016. The total reclaim for prior periods included in the year was £1,048,178 (2016–17; £285,000).

Notes to the accounts

10. Staff costs

	Consolidated		Charity	
	2017–18 £000s	2016–17 £000s	2017–18 £000s	2016–17 £000s
Wages and salaries	53,276	52,667	52,423	52,117
Social security costs	3,735	3,643	3,681	3,600
Pension costs	1,277	1,315	1,265	1,303
Total	58,288	57,625	57,369	57,020

Included within the wages and salaries figure above are the costs of £3,869,000 (2016–17: £3,462,000) for employing agency and contract staff. No remuneration was paid to any trustee during the period (2016–17: Nil).

Included in wages and salaries are redundancy and termination payments made in the period of £457,195 (2016–17: £654,275). Of this nothing was outstanding as at 31st March 2018 (2016/17: £3,463). Sue Ryder's policy is to make redundancy payments in line with minimum statutory requirements unless the employee has protected rights from a previous employer.

During the period, higher paid employees comprised the following:

	2017–18 No.	2016–17 No.
£60,001 – £70,000pa	17	14
£70,001 – £80,000pa	3	3
£80,001 – £90,000pa	1	6
£90,001 – £100,000pa	3	-
£100,001 – £110,000pa	3	3
£110,001 – £120,000pa	1	-
£120,001 – £130,000pa	-	1
£130,001 – £140,000pa	-	1
£140,001 – £150,000pa	1	-

Contributions to pension schemes for these employees amounted to £108,232 (2016–17 £115,040).

Included in the above figures are members of the Executive Leadership Team as follows:

	2017–18 No.	2016–17 No.
£70,001 – £80,000pa	1	1
£80,001 – £90,000pa	1	4
£90,001 – £100,000pa	2	-
£100,001 – £110,000pa	3	3
£110,001 – £120,000pa	1	-
£120,001 – £130,000pa	-	1
£130,001 – £140,000pa	-	1
£140,001 – £150,000pa	1	-

Contributions to pension schemes for these employees amounted to £27,628 (2016–17; £21,825).

The bandings exclude employers' National Insurance and employers' pension.

The total remuneration for members of the Executive Leadership Team during the year, including employer National Insurance, was £927,981 (2016–17; £1,145,115).

Notes to the accounts

The average number of employees during the period comprised the following:

	Total number of employees		Adjusted for full-time equivalent	
	2017-18 No.	2016-17 No.	2017-18 No.	2016-17 No.
Consolidated				
Care services	1,663	1,666	920	974
Retail	1,309	1,349	917	921
Support services	160	142	148	134
Total	3,132	3,157	1,985	2,029
	Total number of employees		Adjusted for full-time equivalent	
	2017-18 No.	2016-17 No.	2017-18 No.	2016-17 No.
Charity				
Care services	1,663	1,666	920	974
Retail	1,277	1,321	885	893
Support services	160	142	148	134
Total	3,100	3,129	1,953	2,001

During the year the number of volunteers donating their services to the charity were:

	Total number of volunteers		Estimation of time donated	
	2017-18 No.	2016-17 No.	2017-18 Hours '000.	2016-17 Hours '000.
Care services	3,005	3,177	460	555
Retail	12,796	12,597	3,506	3,427
Support services	31	68	15	31
Total	15,832	15,842	3,981	4,013

Notes to the accounts

11. Tangible fixed assets

Consolidated	Leasehold property £000s	Freehold property £000s	Fixtures, fittings and equipment £000s	Motor vehicles £000s	Total £000s
Cost					
At 1 April 2017	3,619	35,468	26,469	528	66,084
Additions	-	641	2,367	21	3,029
Impairment losses recognised	-	(2,716)	-	-	(2,716)
Disposals	-	-	(397)	(65)	(462)
At 31 March 2018	3,619	33,393	28,439	484	65,935
Depreciation					
At 1 April 2017	3,469	3,690	18,316	426	25,901
Charge for the year	51	653	2,524	19	3,247
Impairment losses recognised	-	(262)	-	-	(262)
Eliminated on disposal	-	-	(334)	(38)	(372)
At 31 March 2018	3,520	4,081	20,506	407	28,514
NBV					
At 31 March 2018	99	29,312	7,933	77	37,421
At 31 March 2017	150	31,778	8,153	102	40,183
Charity	Leasehold property £000s	Freehold property £000s	Fixtures, fittings and equipment £000s	Motor vehicles £000s	Total £000s
Cost					
At 1 April 2017	3,619	35,468	26,132	528	65,747
Additions	-	641	2,367	21	3,029
Impairment losses recognised	-	(2,716)	-	-	(2,716)
Disposals	-	-	(397)	(65)	(462)
At 31 March 2018	3,619	33,393	28,102	484	65,598
Depreciation					
At 1 April 2017	3,469	3,690	17,988	426	25,573
Charge for the year	51	653	2,521	19	3,244
Impairment losses recognised	-	(262)	-	-	(262)
Eliminated on disposal	-	-	(334)	(38)	(372)
At 31 March 2018	3,520	4,081	20,175	407	28,183
NBV					
At 31 March 2018	99	29,312	7,927	77	37,415
At 31 March 2017	150	31,778	8,144	102	40,174

Notes to the accounts

Included in Freehold properties is a value of £7,250,000 (2016–17: £7,610,000) relating to freehold land. The land associated with Holme Hall to which a value of £360,000 had been attributed has been moved to properties held for resale.

Included in Fixtures and fittings are assets subject to finance leases with a net book value of £1,831,637 (2016–17: £1,851,960).

CBRE Ltd carried out the valuations of freehold land and buildings in accordance with UK Generally Accepted Accounting Principles (GAAP) and reported on Fair Values for all 12 properties as at 31st March 2014. Underlying this basis of value are two principal approaches. First, to value the property as a trading entity assuming continued use as a care facility. Second, where it was deemed there would be limited or no demand CBRE valued the property for alternative use assuming vacant possession.

These values have been applied at the transition date of 1st April 2014 for all the freehold properties except for the buildings at Thorpe Hall and are the deemed cost of these properties. Thorpe has been stated at historic cost (plus subsequent additions), which reflects its value in use to the charity and its beneficiaries.

At the end of the year Holme Hall was closed. After taking advice from local and commercial agents, the Trustees have decided to place the property on the market, but have prudently valued it at nil given its unique nature and rural positioning.

Notes to the accounts

12. Investments

	Consolidated & Charity	
	2017–18 £000s	2016–17 £000s
Market Value at 1 April	9,692	8,283
Acquisitions at cost	2,253	1,579
Proceeds on disposal	(2,183)	(1,898)
Net realised investment (losses) gains	(4)	204
Unrealised investment (losses) gains	(218)	1,013
Cash increase/ (decrease) at 31 March	65	511
Market value at 31 March	9,605	9,692

	Consolidated & Charity	
	2017–18 £000s	2016–17 £000s
UK equities	2,702	3,392
Overseas equities	3,100	2,415
UK fixed interest and gilts	1,248	1,214
Overseas fixed interest and gilts	641	671
Others	1,175	1,325
Cash held for investment purposes	739	675
Total	9,605	9,692

The investment shown above includes an investment of £5 held by the charity in its subsidiary undertaking Sue Ryder Direct Limited and £1 held by the charity in each of its subsidiary undertakings Woburn Property Investment Company Ltd and Sue Ryder Lottery Limited.

Notes to the accounts

13. Programme-related investment

	Consolidated & Charity	
	2017-18 £000s	2016-17 £000s
Due within one year	-	350

Due from The Sue Ryder Foundation (Ireland) Limited
(interest bearing, secured)

This loan was repaid in full during the year

14. Freehold properties held for resale

	Consolidated & Charity	
	2017-18 £000s	2016-17 £000s
Freehold properties held for resale	730	-

During the year a property in Wimbledon was gifted to the charity.

15. Debtors

	Consolidated 31 March		Charity 31 March	
	2018 £000s	2017 £000s	2018 £000s	2017 £000s
Amounts owed by group undertakings	-	-	2,547	2,420
Debtors for care services	2,457	5,070	2,457	5,070
Accrued income – legacies	2,702	2,093	2,702	2,093
Other debtors	3,846	2,724	3,688	2,614
Prepayments	3,101	2,452	2,628	1,980
	<u>12,106</u>	<u>12,339</u>	<u>14,022</u>	<u>14,177</u>

In addition to the £2.702m of legacy accrued income, there were 20 legacies that have been notified to the charity in the year that have not been valued due to the uncertainty of the amount due (31st March 2017: 24). There were also 18 reversionary legacies notified to the charity valued at £1.2m that were not recognised in the financial statements due to life tenants.

Notes to the accounts

16. Creditors: amounts falling due within one year

	Consolidated 31 March		Charity 31 March	
	2018 £000s	2017 £000s	2018 £000s	2017 £000s
Trade creditors	3,545	2,330	3,391	2,087
Other creditors	525	482	525	482
Amounts payable under Finance leases due under one year	643	620	643	620
Accruals	2,260	1,251	1,823	1,168
Deferred income	1,860	3,438	1,860	3,366
Other taxes and social security	891	901	889	898
Total	<u>9,724</u>	<u>9,022</u>	<u>9,131</u>	<u>8,621</u>

Income is deferred where it has been invoiced or received in advance, and is for the provision of goods and services after the year end.

Movements in deferred income

	Consolidated 31 March		Charity 31 March	
	2018 £000s	2017 £000s	2018 £000s	2017 £000s
Opening balance	3,438	1,405	3,366	1,343
Movement	(1,578)	2,033	(1,506)	2,023
Closing balance as at 31 March	<u>1,860</u>	<u>3,438</u>	<u>1,860</u>	<u>3,366</u>

Notes to the accounts

17. Creditors: amounts falling due after one year

	Consolidated 31 March		Charity 31 March	
	2018 £000s	2017 £000s	2018 £000s	2017 £000s
Amounts payable under finance leases due after one year	436	992	436	992
Closing balance as at 31 March	<u>436</u>	<u>992</u>	<u>436</u>	<u>992</u>

18. Provisions for liabilities

	Consolidated 31 March		Charity 31 March	
	2018 £000s	2017 £000s	2018 £000s	2017 £000s
Provisions for property dilapidations	1,873	418	1,794	418
Closing balance as at 31 March	<u>1,873</u>	<u>418</u>	<u>1,794</u>	<u>418</u>

Movements in provision for property dilapidations

	Consolidated 31 March		Charity 31 March	
	2018 £000s	2017 £000s	2018 £000s	2017 £000s
Opening balance	418	369	418	369
Increase in provision due to change in accounting estimate	1,455	49	1,376	49
Provision for property dilapidations as at 31 March	<u>1,873</u>	<u>418</u>	<u>1,794</u>	<u>418</u>

Dilapidations are provided for against the initial term of a property lease with the expectation that, should the lease not be extended, dilapidation costs will become payable after the termination of the lease and after negotiations with the landlord have been concluded.

Notes to the accounts

19. Unrestricted funds

Year ended 31 March 2018

	Balance at 31 March 2017 £000s	Incoming resource £000s	Expenditure £000s	Transferred between funds £000s	Transferred from restricted £000s	Gains and losses £000s	Balance at 31 March 2018 £000s
Unrestricted funds							
General funds							
Property revaluation reserve	15,553	-	-	(230)	-	(512)	14,811
Charity retained funds	42,890	79,467	(82,989)	(270)	237	(222)	39,113
Subsidiary's retained funds	4	10,326	(10,326)	-	-	-	4
Total general funds	58,447	89,793	(93,316)	(500)	237	(734)	53,928
Designated reserves	-	-	-	500	-	-	500
Total unrestricted funds	58,447	89,793	(93,316)	-	237	(734)	54,428

The movement in the capital reserve represents the depreciation charge of the uplifted value of the freehold buildings and the impairment of Holme Hall which removed all the reserve associated with the property.

The transfer from restricted funds is with respect to expenditure against projects restricted in previous years for which service provision requirements have now been fully met.

The Trustees have designated £500,000 of the general reserves to support the Dee View Capital Appeal. We currently expect the designated funds to be spent in the financial year beginning 1st April 2019.

Year ended 31 March 2017

	Balance at 31 March 2016 £000s	Incoming resource £000s	Expenditure £000s	Transferred between funds £000s	Transferred from restricted £000s	Gains and losses on investments £000s	Balance at 31 March 2017 £000s
Unrestricted funds							
General funds							
Property revaluation reserve	16,240	-	-	(687)	-	-	15,553
Charity retained funds	41,261	75,982	(76,364)	687	107	1,217	42,890
Subsidiary's retained funds	7	10,200	(10,203)	-	-	-	4
Total general funds	57,508	86,182	(86,567)	-	107	1,217	58,447
Designated reserves	-	-	-	-	-	-	-
Total unrestricted funds	57,508	86,182	(86,567)	-	107	1,217	58,447

Notes to the accounts

20. Restricted funds

The income funds of the group and charity include restricted funds comprising the following:

Year ended 31 March 2018

	Movement in funds				Balance at 31 March 2018 £000s
	Balance at 31 March 2017 £000s	Incoming resource £000s	Expenditure £000s	Transfers Note 19 £000s	
Funds held at care centres restricted to specific purposes, including capital projects	216	11,549	(10,815)	(216)	734
Big Lottery 5Rs Programme (Dee View and The Chantry)	-	22	(22)	-	-
Dee View Court Capital Appeal	3	261	(1)	(3)	260
Patient rights training	-	33	(33)	-	-
Scottish Government training	18	12	(12)	(18)	-
Endowment	88	-	-	-	88
Total group restricted funds	325	11,877	(10,883)	(237)	1,082

Additionally there are funds held at care centres and centrally of £327,210 which comprise the unexpended balances of donations and grants held on trust for specific projects.

Year ended 31 March 2017

	Movement in funds				Balance at 31 March 2017 £000s
	Balance at 31 March 2016 £000s	Incoming resource £000s	Expenditure £000s	Transfers Note 19 £000s	
Funds held at care centres restricted to specific purposes, including capital projects	142	12,539	(12,382)	(80)	219
Big Lottery 5Rs Programme (Dee View and The Chantry)	27	-	-	(27)	-
Awards for All rehabilitation kitchen	10	8	(18)	-	-
Big Lottery Prison Volunteer Programme	-	38	(38)	-	-
Patient rights training	-	79	(79)	-	-
Scottish Government training	24	19	(25)	-	18
Endowment	88	-	-	-	88
Total group restricted funds	291	12,683	(12,542)	(107)	325

Notes to the accounts

21. Analysis of net assets across funds

Consolidated

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Fund balances at 31 March 2018 are represented by:			
Tangible fixed assets	37,421	-	37,421
Investments	9,605	-	9,605
Current assets	19,108	1,409	20,517
Current liabilities	(9,397)	(327)	(9,724)
Provision for liabilities	(1,873)	-	(1,873)
Long-term liabilities	(436)	-	(436)
Total net assets	54,428	1,082	55,510

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Fund balances at 31 March 2017 are represented by:			
Tangible fixed assets	40,183	-	40,183
Investments	9,692	-	9,692
Programme-related investments	350	-	350
Current assets	18,654	325	18,979
Current liabilities	(9,022)	-	(9,022)
Provision for liabilities	(418)	-	(418)
Long-term liabilities	(992)	-	(992)
Total net assets	58,447	325	58,772

Notes to the accounts

Charity

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Fund balances at 31 March 2018 are represented by:			
Tangible fixed assets	37,415	-	37,415
Investments	9,605	-	9,605
Current assets	18,436	1,409	19,845
Current liabilities	(8,804)	(327)	(9,131)
Provision for liabilities	(1,794)	-	(1,794)
Long-term liabilities	(436)	-	(436)
Total net assets	54,422	1,082	55,504

	Unrestricted funds £000s	Restricted funds £000s	Total funds £000s
Fund balances at 31 March 2017 are represented by:			
Tangible fixed assets	40,174	-	40,174
Investments	9,692	-	9,692
Programme-related investments	350	-	350
Current assets	18,257	325	18,582
Current liabilities	(8,621)	-	(8,621)
Provision for liabilities	(418)	-	(418)
Long-term liabilities	(992)	-	(992)
Total net assets	58,442	325	58,767

Notes to the accounts

22. Pension costs

(a) Defined contribution schemes of Sue Ryder

A defined contribution group pension scheme was introduced with effect from 1st December 1992, administered by Equitable Life. This scheme is now closed, although some members have opted to leave their benefits with Equitable Life.

Following the closure of the Equitable Life scheme in October 2001, personal pension plan facilities were arranged with pension providers, currently Zurich, into which the charity pays matched contributions up to a maximum of 5% of pensionable pay for eligible employees who choose to join.

From 1st August 2013, eligible Sue Ryder staff not already enrolled in a pension scheme were automatically enrolled into The People's Pension provided by B&CE. The charity pays a matched contribution into the scheme in accordance with the auto-enrolment requirements.

(b) National Health Service pension scheme

Sue Ryder also contributes to a defined benefit contributory pension scheme on behalf of certain former National Health Service employees. These contributions are fixed by reference to quinquennial valuations by the Government actuary which is currently 14.3% of earnings. The latest available report relates to the period ended 31st March 2012.

It is not possible to identify the surpluses or deficits that relate to Sue Ryder and therefore this scheme is treated as a defined contribution scheme under FRS 102, with costs recognised in accordance with contributions payable.

23. Lease obligations

The charity had annual lease commitments as follows:

	31 March	
	2018 £000s	2017 £000s
Consolidated		
Operating leases:		
Land and buildings		
Within one year	8,944	8,594
In the second to fifth years inclusive	18,226	18,263
After more than five years	1,898	2,003
Total commitment	29,068	28,860
Other		
Within one year	310	511
In the second to fifth years inclusive	106	385
Total commitment	416	896
Total	29,484	29,756

Notes to the accounts

	31 March	
	2018 £000s	2017 £000s
Consolidated		
Finance leases:		
Fixed assets		
Within one year	777	718
In the second to fifth years inclusive	452	1,150
Total commitment	1,229	1,868

The charity has taken out three finance leases to cover the expenditure related to a new Electronic Point of Sale (EPoS) and warehouse management system. It has been agreed that at the end of the primary term of these leases, title will pass to the charity through a purchase option in return for a small payment.

24. Capital and other commitments

Sue Ryder Direct Limited has outstanding foreign currency commitments of USD \$544,299 (2016–17: \$786,499), which are due to mature within 12 months.

25. Related party disclosures

There are a number of independent charities operating in various countries and that share the main objectives of Sue Ryder. The charity awards grants to these entities as shown in Note 8.

The financial statements of the group consolidate the results of its 100% subsidiary companies, Sue Ryder Direct Limited, Sue Ryder Lottery Ltd and Woburn Property Investment Limited, and subsidiary charity Duchess of Kent House Charity.

During the year the following transactions took place between the charity and its subsidiary undertakings:

The transfer under Gift Aid of the trading profits of Sue Ryder Direct Limited to the charity of £41,325 (2016–17: £241,000) and Sue Ryder Lottery Limited to the charity of £1,091,363 (2016–17: £1,043,045).

The recharge of costs associated to the use of the charity's shops for trading by Sue Ryder Direct Limited of £729,760 (2016–17: £1,313,205) and commission charged of £377,123 (2016–17: £467,626) to the charity by Sue Ryder Direct Limited as agent in regards the retail Gift Aid scheme.

Balances outstanding as at 31st March 2018 between the charity and its subsidiary undertakings are:

Sue Ryder Direct Limited owes £2,319,338 to the charity (2016–17: £2,308,848).

Sue Ryder Lottery Limited owes £204,060 to the charity (2016–17: £95,826).

Woburn Property Investment Company Limited owes £7,334 to the charity (2016–17: £7,334).

Duchess of Kent House Charity owes £16,152 to the charity (2016–17: £7,775).

Notes to the accounts

26 Cash flows from operating activities

	Consolidated	
	2017–18 £000s	2016–17 £000s
Net (expenditure) / income for the reporting period as per the Statement of Financial Activities:	(2,750)	973
Add back depreciation (note 11)	3,247	3,890
Loss on sale of assets	61	132
Loss on impairment of fixed assets	1,942	-
Loss / (Gain) on sales of investment assets	222	(1,217)
Decrease in investment cash holding	(65)	(511)
Increase in property held for resale	(730)	-
Increase in stocks	(45)	(37)
Decrease / (Increase) in debtors	232	(1,690)
Increase in creditors	146	1,719
Increase in provisions for liabilities	1,455	49
Investment income	(186)	(255)
Gains on foreign currency held	(20)	(1)
Net cash provided by operating activities	3,510	3,052

Notes to the accounts

27. Net income from trading activities of subsidiaries

The results for the year ended 31 March 2018 were:

	Sue Ryder Direct Ltd	Sue Ryder Lottery Ltd	Woburn Property Investment Company Ltd	Duchess of Kent House Charity
Company number	889743	9479300	8277229	4032552
Registered charity number				1085912
	2017-18 £000s	2017-18 £000s	2017-18 £000s	2017-18 £000s
Turnover	9,019	1,307	-	-
Cost of sales	(6,452)	(207)	-	-
Gross profit	2,567	1,100	-	-
Other expenses	(2,526)	(9)	-	-
Profit on ordinary activities before tax	41	1,091	-	-
Tax on profit on ordinary activities	-	-	-	-
Profit on ordinary activities after tax	41	1,091	-	-
Charitable donation to parent	(41)	(1,091)	-	-
Retained profit for the period	-	-	-	-
Tangible fixed assets	5	-	-	-
Net current assets/(liabilities)	8	-	(8)	-
Total net assets	13	-	(8)	-
Share capital	-	-	-	-
Profit and loss account	13	-	(8)	-
Shareholder's funds	13	-	(8)	-

A linked charity exists, Sue Ryder Care (Chantry), to administer a permanent endowment passed to Sue Ryder by the Charity Commission.

Notes to the accounts

27. Net income from trading activities of subsidiaries (Continued)

The results for the year ended 31 March 2017 were:

	Sue Ryder Direct Ltd	Sue Ryder Lottery Ltd	Woburn Property Investment Company Ltd	Duchess of Kent House Charity
Company number	889743	9479300	8277229	4032552
Registered charity number				1085912
	2016-17 £000s	2016-17 £000s	2016-17 £000s	2016-17 £000s
Turnover	8,974	1,226	-	-
Cost of sales	(5,921)	(173)	-	-
Gross profit	3,053	1,053	-	-
Other expenses	(2,812)	(10)	-	-
Profit on ordinary activities before tax	241	1,043	-	-
Tax on profit on ordinary activities	(3)	-	-	-
Profit on ordinary activities after tax	238	1,043	-	-
Charitable donation to parent	(241)	(1,043)	-	-
Retained profit for the period	(3)	-	-	-
Tangible fixed assets	9	-	-	-
Net current assets/(liabilities)	3	-	(8)	-
Total net assets	12	-	(8)	-
Share capital	-	-	-	-
Profit and loss account	12	-	(8)	-
Shareholder's funds	12	-	(8)	-

Recognition of key supporters

We can only go on making a difference to people's lives because of the generosity of the thousands of people and organisations who give their money, time and support. Although it's not possible to mention every single person or organisation that has supported us over the past year, we'd like to give our particular thanks to:

Allergan International Foundation
Andrew Salveson Family Trust
Awards for All
The Band Trust
The Barcapel Foundation
Barry Proctor
The Beatrice Laing Trust
Bedfordshire and Luton Community Foundation's Panacea Fund
Big Lottery Fund (Scotland)
Bromhead Medical Charity
The Burdett Trust for Nursing
The Charles Irving Charitable Trust
CHK Charities Ltd
Christopher Sprinz
The Clover Trust
The Finnis Scott Foundation
Gale Family Charity Trust
The Gannochy Trust
The Grace Trust
The Harpur Trust
Harry Cureton Charitable Trust
Ian and Caroline McAlpine
The Ibbett Trust
Kathleen and Michael Connolly Foundation UK Ltd
Leeds Community Foundation
Louis Baylis (Maidenhead Advertiser) Charitable Trust
The Masonic Charitable Foundation
The Morningfield Association
Scottish Alliance
The Shanly Foundation
The Shears Foundation
The Thomas J Horne Memorial Trust
The Wixamtree Trust

Thank you also to those donors who wish to remain anonymous.

Sue Ryder provides hospice and neurological care for people facing a frightening, life-changing diagnosis. It's not just expert medical care we provide. It's the emotional support and practical things we take care of too. We do whatever we can to be a safety net for our patients and their loved ones at the most difficult time of their lives.

Not only do we treat more conditions than any other UK charity in our hospices, neurological care centres and out in the community; we also campaign to improve the lives of people living with them. We see the person, not the condition, taking time to understand the small things that help that person live the fullest life they can.

For more information about Sue Ryder

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alternative formats on request.

incredible hospice
and neurological care