

St Catherine's Hospice Limited

(A CHARITABLE COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)

FINANCIAL STATEMENTS

For the year ended 31 March 2016

Company Registration No. 01525404
Charity Registration No. 281362

St Catherine's Hospice Limited

REFERENCE AND ADMINISTRATIVE DETAILS

DIRECTORS AND TRUSTEES

Simon Turpitt Chairman
D Gareth Jones
Christine Maclean
John L St P Mansfield JP
Anne Oates
Terry O'Leary
Yogita Rajani
Robin Richman
Duncan Rudkin
Chris Shearn
Barbara Williams
David Yates

SENIOR MANAGEMENT TEAM

Giles Tomsett – Chief Executive
Patricia Brayden – Director of Medicine
Claire Irving – Director of Fundraising & Marketing
Penelope Jones – Director of Care Services
Eric Norman – Director of Finance & Site Services
Karen Anderson – Head of Human Resources
Colin Wakefield – Head of Trading

REGISTERED COMPANY NUMBER
01525404 (England and Wales)

REGISTERED CHARITY NUMBER
281362

REGISTERED OFFICE

Malthouse Road
Crawley
West Sussex
RH10 6BH

AUDITORS

haysmacintyre
Chartered Accountants and Statutory Auditors
26 Red Lion Square
London
WC1R 4AG

St Catherine's Hospice Limited

REFERENCE AND ADMINISTRATIVE DETAILS

BANKERS

Barclays Bank Plc
90-92 High Street
Crawley
West Sussex
RH10 1YX

SOLICITORS

Rawlison Butler
135 High Street
Crawley
West Sussex
RH10 1DQ

INVESTMENT ADVISERS

Sarasin & Partners LLP
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

Rathbones Brothers plc
1 Curzon Street
London
W1J 5FB

St Catherine's Hospice Limited

DIRECTORS/TRUSTEES' REPORT

The Directors, who are the Trustees under Charity law, submit their report and the financial statements of St Catherine's Hospice Limited for the year ended 31 March 2016.

OBJECTIVES and ACTIVITIES

St Catherine's Hospice Ltd objects are:

- To promote relief and respite to persons, their families and carers who are or may be affected as a result of terminal and/or life limiting illness, death and bereavement; and
- To advance education and research in relation to end of life care.

Trustees have had due regard to the Charity Commission's guidance on public benefit when setting the aims and objectives of the charity.

All St Catherine's Hospice services are provided equally to all members of the community we serve, and there is no charge to either patients or their families for any of our current services. The health-related activity is only part-funded by the NHS via grant or formal contract, and considerable sums are raised via fundraising in our very supportive community as shown in the financial analysis below. It remains the case that, while highly valued by the community, hospice services rely upon robust and reliable income streams.

During the year, we have continued to build a focus in all our work around our agreed strategy which has three central aims as follows:

- To ensure the sustainability of the organisation
- To reach into our community to champion the needs of those who are dying *and* affected by death so as to support more patients, their families and carers in need of our services
- To ensure a commitment to excellence through a shared focus on continuous improvement in all facets of our work

STRATEGIC REPORT 2015/16

ACHIEVEMENTS AND PERFORMANCE

The services we deliver underline our role in looking at patients and their families holistically to ensure we focus on the wellbeing of all. In line with our plan to support more patients at end of life, hospice clinical teams supported 2,305 patients across our community of which, 1,290 patients died during the year.

- A total of 1,931 patients were cared for in the community during the course of the year.
- Total number of admissions to the Inpatient Unit (IPU) was 368 (315 individuals) and average length of stay was 14 days. 65% of all inpatient admissions ended in the death of the patient and 32% were discharged either home or to a nursing or care home.
- 24,339 telephone enquiries relating to our care were also managed by our clinical experts through the course of the year.
- 31% of all referrals for palliative care were for patients with conditions other than cancer.

Outpatients and Day Services were provided to people at both our Crawley and Caterham sites

- Counselling, spiritual care and welfare support received 680 new referrals of patients and family members.
- The lymphoedema service received 152 new referrals (patients not receiving any other services from the Hospice) in the year.
- Therapies team saw 817 patients.

St Catherine's Hospice Limited

DIRECTORS/TRUSTEES' REPORT

Our current Caterham site will close in mid 2016. Until we find a permanent home our services in East Surrey will be continue to operate from a number of temporary locations.

In support of our strategic aims, during the year the Hospice opened two new shops (in our key towns of Horsham and Crawley), continued to build its links with key NHS and social care bodies throughout the area and delivered a range of projects that support a commitment to excellent patient care.

St Catherine's Hospice is also committed to the delivery of high quality care and recognises that this requires the effective support of every part of the Hospice. To ensure that the Hospice as a whole can deliver we are participating in the CHKS (Comparative Health Knowledge System) Accreditation Programme for Hospice Services. This programme is helping the organisation review and set new standards and to identify work we need to do to meet those standards right across the organisation in both clinical and non-clinical areas.

In February, the regulatory body, the Care Quality Commission (CQC) inspected our hospice using their new methodology to explore our approach towards; safe, effective, caring, responsive and well led service provision. We are very pleased to report that the CQC rated us as outstanding overall with the caring, responsive and well-led elements receiving particular praise.

A selection of the findings from the CQC inspectors are listed below:

Staff were highly motivated and inspired to offer care which is kind and compassionate.

Staff were exceptional in enabling people to remain independent and achieve their goals.

Family support is seen as key to people's wellbeing and people's family are also supported

People described the services as "Exceptional" and "Faultless".

The services offered are flexible and responsive to people's individual needs and preferences, staff find creative ways to enable people to live as full a life as possible.

People who use services are actively encouraged to give their views and raise concerns.

The services viewed concerns and complaints as part of a drive for continuous improvement.

Staff have the skills to understand and meet the needs of people and their family in relation to emotional support and the practical assistance they need with day to day life.

There was a strong emphasis placed on continuous improvement and on the provision of a quality service. The hospice strived to achieve outstanding practice and was in the process of achieving accreditation through the CHKS scheme.

The hospice continually strives for excellence through research and reflective practice.

The full CQC report can be found at https://www.cqc.org.uk/sites/default/files/new_reports/INS2-2473771072.pdf

In terms of education and research at St Catherine's over the period April 2015 to March 2016, there have been a total of 132 learning events hosted here attended by 475 members of our staff and 408 delegates from local care homes, domiciliary care agencies and NHS staff. Several of our courses were given a quality mark under the ReQ (Recognition of educational Quality) scheme run by Brighton and Surrey Universities allowing attendees to claim academic credit. Staff also deliver informal education as they work alongside NHS workers or care homes in the community. In addition we have also been commissioned to deliver compassion awareness education to NHS units and care homes. Education sessions have been delivered in care homes, GP surgeries, to ambulance staff, trainee doctors, and in NHS hospitals throughout our catchment area.

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DIRECTORS/TRUSTEES' REPORT

St Catherine's Hospice has also become more focused on research. During 2015/16, we have taken part in four end of life care studies under the auspices of the Royal Surrey County Hospital and have supported other research projects run by other NHS and research bodies. In addition, St Catherine's staff submitted 10 abstracts in total to the Hospice UK conference, the European Association for Palliative Care and the Palliative Care Congress.

Our key stakeholder relationships with NHS Commissioners, responsible for the organisation of End of Life services across our area, remain strong, with regular update and service reviews, and ongoing dialogues between clinical leads, all of which underpins the day to day delivery of patient care. An End of Life Care Needs Review was begun in close collaboration with the East Surrey Clinical Commissioning Group (CCG), the local acute hospital, Surrey and Sussex Hospital NHS Trust (based at Redhill) and ourselves and is expected to report in mid 2016. In West Sussex, we were pleased to be included in the West Sussex County Council Domiciliary Care Framework for patients with personal care needs at end of life and we successfully negotiated improved funding for our lymphoedema service by providing powerful evidence of the value of this service to the wider healthcare economy.

Our relationship with our local acute hospital, Surrey and Sussex Healthcare NHS Trust (SaSH) has also been strengthened. This hospital is the single largest place of death in our community and through our collaboration with Marie Curie to support the hospital 'Discharge Co-ordination Service' we have successfully improved the overall efficiency of the hospital and enhanced patient care. We continue to work closely with NHS and local authority commissioners to consider other areas of joint working.

Central to the delivery of our services and income generation is the role of our volunteers. 840 volunteers providing more than 50,000 hours have enabled us to run a range of enhanced services including throughout our shops, in direct patient care (counselling, pet and complementary therapy, spiritual support etc), in support of patient need (patient transport, food, beverages, a supportive ear etc) and in providing additional help to our fundraising efforts (e.g. friends groups, event marshals and leaflet drops). The dedication of these volunteers, often over a considerable time, cannot be overstated as together 39 different roles are provided by people aged from 14 to 97. This year 3 volunteers reached the milestone of 30 years dedicated service our charity and our service users.

During the year, the Board and Executive Team agreed a range of metrics and measures it would track as part of our Monthly Operational and Organisational Dashboard (MOOD). Alongside service metrics, the Board have been assured around critical care areas such as medicine management, trips and falls, pressure sore and associated never events. In addition, the performance of our income generation and expenditure tracking has ensured a financial out-turn that was stronger than the original budget.

To support our dashboard reporting, during the year we carried out a full-scale review and revision of our electronic patient record system (Crosscare). A wide range of improvements have been made to facilitate accurate, relevant and comprehensive clinical record keeping, which supports a multi-professional way of working and places patients' needs at the heart of care. All Crosscare users received tailored training on how to use the system before its re-launch in February.

To strengthen our commitment around quality, the Hospice made significant progress in four key areas of focus as follows:

- **Pan-hospice approach to audit** - We have developed a comprehensive annual audit plan that brings together both clinical and non-clinical audits. Involving non-clinical staff has not only enabled us to stay on track with the audit programme but has promoted cross-team learning and improved organisational integration.

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DIRECTORS/TRUSTEES' REPORT

- **Development of a policy framework** - There is now a more robust process in place to produce and sign off policies and procedures providing staff with clear and comprehensive information and guidance covering all key activities and situations. Key policies that have been launched or re-launched this year include: Raising a Serious Concern, Safeguarding, Duty of Candour, Consent, Research, Medicines Management, Falls Management, Mental Capacity and Clinical Governance.
- **You said, we did** - We have put in place a framework that gives people a range of opportunities for giving feedback. Patients and carers can fill in Friends and Family Test cards, respond to satisfaction surveys like the nationally validated VOICES survey, or speak to a member of staff during their visits to the Inpatient Unit and Day Hospice. To show how we have responded to the feedback received '**You said, we did**' posters are displayed around the Hospice, and updated regularly..
- **Voices of Experience Group** - We have established a user group which has worked with staff on a range of projects, including production of new patient and carer information, the development of policies (e.g. organ donation) and Trustee recruitment. As these examples show, the group is much more than a source of feedback and is making a valuable contribution to the development of the organisation and our services.

FINANCIAL REVIEW

The net movement in funds for the year was a decrease of £0.674m, compared with the previous year's increase of £2.484m. As a result our total fund balance decreased from £18.396m at 31 March 2015 to £17.722m at 31 March 2016.

The operating deficit of £0.281m in 2015/16, although a marked deterioration from the £1.133m surplus achieved in 2014/15 still compares very favourably to the reforecast budget which estimated an operating loss of £1.112m. The main cause of the unfavourable movement in the net operating position between 2014/15 and 2015/16 was in the level of legacy income which fell by just over £1.5m to £1.7m. The level achieved in 2015/16 actually represents a more 'normal' level of legacies for the hospice compared to the exceptionally high levels of such income achieved in both 2013/14 and 2014/15. Previous years' legacy income has averaged around £1.4m. The reduction in legacy income was partially offset by higher NHS income (from £2.621m in 14/15 to £2.826m in 15/16), primarily caused by local NHS Care Commissioning Groups agreeing to pay towards lymphoedema treatments, previously borne by our charitable funds, and to reimburse the Hospice for the cost of the drugs prescribed by Hospice doctors for our inpatients. Net lottery proceeds also enjoyed a year of significant growth. Net income amounted to £0.57m which is a rise of over £0.17m on the previous year.

The net contribution from Retail operations has risen to £304,000 from £243,000 in 2014/15. Within the overall activity on trading there has been a transfer of activity from the trading subsidiary to the main hospice company. This is because the Trustees have decided with effect from 1 April 2015 to retain the sale of donated goods and goods sold under the retail gift aid scheme within the Hospice. The switch has reduced the value of trading activity (turnover) through the trading subsidiary by 87%, from £1.149m to £0.147m.

Operational expenditure has risen by a little over 2.5% from £9.711m to £9.960m. Overall expenditure on raising funds has been relatively steady, rising by £45,000 (1.6%) to £2.932m whereas the costs of charitable activities have risen by £204,000 (3.0%) to £7.028m. This increase can be wholly accounted for within community care where there has been an increase in community nurses and increased resources have been devoted to outpatients' services.

On top of the operating deficit there were losses on investments of £0.393m. This compares to a gain on investments in 2014/15 of £1.351m. Gains from the sale of investment properties of £15,000 were more than offset by unrealised losses on investments of £0.408m. The

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disappointingly poor performance of our investments reflects a year of turmoil and declining prices on UK and world stock markets. However this loss needs to be viewed in the context of returns totalling £2.89m over the previous three years.

INVESTMENT POLICY

The Directors/Trustees have the power to invest in such stocks, shares, investments and property as they see fit. We have appointed two fund managers, Sarasin and partners LLP and Rathbone Brothers plc, who are asked to operate with different criteria and benchmarks.

Our investments with Sarasin are split between a short term and a long term fund. The former holds some cash but is invested mainly in government and corporate bonds. The fund is available to meet short term cash requirements and to ensure that we avoid being a "forced seller" of volatile assets. The benchmark for this fund is the FT Gilt All Stocks Index. The long term fund has a higher allocation to real (risk) assets in order to achieve higher long term returns. The Trustees have adopted as their 'core' the Sarasin Endowments Model which seeks to achieve a long term return of RPI+4.5% over five to seven years, via a diversified portfolio of asset classes, with equities forming the core. The strategy has been implemented by investing in Sarasin's Alpha Common Investment Fund for Endowment. The benchmark for this fund is Sarasin's Alpha Composite Benchmark.

In March 2015, following a formal review we decided to replace Smith & Williamson with Rathbones as one of our fund managers. The process of transferring funds commenced in June 2015. The general objectives of the investment policy are very similar to the Sarasin long term fund, i.e. Rathbones have the task of investing on a long term basis with the objective of achieving average returns 4% above inflation.

Overall, as referenced in the financial review above the Hospice's investments have performed disappointingly in 2015/16. The Sarasin long term funds lost around 3.2% in value and the Rathbones around 5.1% and also underperformed their respective benchmarks. The Sarasin short term fund made a gain of just 0.1% over the year which is marginally over the benchmark. Cash deposits with clearing banks continue at historically low rates of 0.5% or less. Fund performance does however need to be judged over a longer period than one year and these disappointing returns follow two years of significantly above average returns.

RESERVES POLICY

St Catherine's reserves policy states that "*St Catherine's Hospice should hold free reserves of not less than six months' and not more than nine months' running costs, net of known commitments, at any one time.*" This position is reviewed by the Board on an annual basis."

As at 1 April 2015 total unrestricted reserves amounted to £16.366m of which £2.106m was in the designated Capital Assets Fund, £0.95m in the Hospice Development Fund and £7.812m in the Shemeld Legacy Capital Fund leaving £5,498m in 'free' reserves.

The financial results for 2015/16 have produced a net reduction in reserves of £674,000 of which £58,000 is restricted. Of the call of £616,000 on unrestricted reserves £62,000 related to one off initiatives being funded from the Hospice Development Fund leaving £554,000 to come from general reserves. However the amount needed to be retained in the Capital Assets Fund has fallen by £86,000 to £2.020m. Overall therefore free reserves have reduced by £468,000 to £5.030m as at 31 March 2016.

Our budgeted monthly expenditure in 2016/17 on Hospice activities, i.e. all expenditure excluding that on the Lottery and Trading, is £708,000, so the amount of general reserves equates to just over 7 months expenditure, which remains firmly within the policy range set.

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HOSPICE RESERVES

FOUNDATION FUND

This is a restricted reserve and exists primarily to support our day to day running costs should the following events occur:

- The General Fund is below six months future running costs;
- The Hospice operating costs are exceeding its income on a regular monthly basis.

Before any capital or income of The Foundation Fund is appropriated the view of the New Horizons Appeal Committee will be sought. The Directors must approve and finally determine the use of all Foundation Fund assets.

OTHER RESTRICTED FUNDS

From time to time, the Hospice may receive grants or donations whose use is restricted by the donor. In these circumstances, the funds are shown as restricted.

CAPITAL ASSETS FUND

This comprises the book value of the tangible assets of the hospice as shown in our balance sheet. The Capital Assets Fund is automatically excluded from the General Fund as it could only be realised by disposing of or mortgaging tangible assets.

HOSPICE DEVELOPMENT FUND

This reserve comprises money set aside to finance future service developments in line with our strategic objectives of reaching more people who are dying and meeting the needs of a wider range of people affected by death or dying.

SHEMELD LEGACY CAPITAL

The Shemeld Legacy Capital fund was formed from the proceeds of a major bequest by John Shemeld. This is the largest legacy that has ever been made to St. Catherine's and will go a long way towards helping us secure our future. The legacy together with further funds added in 2014/15 has been set aside to finance future major capital developments by the hospice which will enable current services to be maintained and enhanced.

GENERAL FUND

This is an unrestricted reserve and is available to be used for:

- The day to day running of the hospice;
- The costs of any capital projects in whole or in part where the cost is not met from any other fund; and
- For any other purpose as the Directors see fit to fulfil the objectives of the hospice.

MARKET VALUE OF LAND AND BUILDINGS

Freehold land was donated to the hospice and valued at £60,000 by the Directors in December 1983. All other freehold land and buildings shown in Fixed Assets in the Balance Sheet are included in the financial statements at cost or open market value if lower. In the opinion of the Directors, the open market value of the freehold land and buildings is not less than the amounts shown in the financial statements.

PRINCIPAL RISKS & UNCERTAINTIES

Trustees regularly assess the major risks to which we are exposed, both operationally and financially, and a formal strategic risk register was maintained during the year supported by operational risk registers maintained by departmental managers. The strategic register continues to be reviewed regularly by the Board with the Quality and Resources Committees taking ownership of an agreed subset to ensure appropriate levels of scrutiny. The main risks we face

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relate to service delivery, financial, workforce, reputational and health and safety issues. We have a range of controls and procedures in place to mitigate these risks and, through our governance structures and focus on our Quality Management System, we will ensure close attention and risk mitigation is given to each area.

A key dynamic of increased risk is in the recruitment and retention of suitably experienced and qualified staff, particularly in Nursing. Many parts of the NHS, and others relying on qualified nurses such as hospices, are struggling to attract appropriate staff. Having appropriate numbers and qualified staff in post is a key driver to operational efficiency and effectiveness. After a period in which clinical staff numbers have fluctuated in the face of a competitive local recruitment picture, we have responded to the challenge by using a wide variety of recruitment channels and by instigating a new payment structure for staff working unsocial hours. These measures have helped significantly reduce clinical vacancy levels.

Other significant strategic risks we face include; the risk of ineffective external relationships with others in the local health & social care system, inadequate resources or systems to provide quality care and the loss or theft of data caused by inadequate data security. A wide range of controls and mitigations are in place to tackle these as shown in the table below.

Strategic Risks	Controls & Mitigations
Ineffective external relationships	Active stakeholder account management Key members of SMT involved in stakeholder dialogue.
Inadequate resources/systems for quality care	Investment in quality management system Recruitment and retention actions
Losses of data/failure of data security	Range of controls back-ups and data encryption Compulsory staff training on need for vigilance External contractors to advise and test our systems

PLANS FOR THE FUTURE

Following the commitment of a local supporter to donate five acres of land at nearby Pease Pottage (approx two miles from our current main site in Crawley), we have worked closely with the donor and his selected developer to secure planning approval for a development of new homes and hospice facilities at this location (within the District of Mid Sussex). Work has included completing a business case, undertaking a capital appeal feasibility study while also drafting and consulting on plans for a new hospice facility set within the proposed site. This has included working closely with our recently established Voices of Experience group (see above) who were able to fully endorse the draft plans. The planning process for the overall Pease Pottage site is set to run into late 2016. In order to realise a project of this scale we will need to utilise considerable additional technical and project development skills and resources.

Whatever happens with the Pease Pottage option, the Board are clear that new accommodation is required so that the charity can better meet the needs of our local population and an aging society. As such, during 2016, we will review its scope and range of services, our income potential and agree our plans for the following;

- a. Brand positioning
- b. Website utilisation
- c. External education provision (aligned with NHS/Social care need)
- d. Thought Leadership
- e. Workforce strategy
- f. New Accommodation optimisation – both in East Surrey and in the Crawley area.
In the latter case, the Board and Executive leaders will be working to explore if the initial design is sustainable, what appetite exists within the statutory system to part fund any

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build and how the new and current sites are best utilised to realise the project and help us diversify our income base while meeting our charitable objects.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Hospice is a company limited by guarantee, and is a registered charity governed by its Articles of Association. It is the intention of the Board to update its articles of association in the financial year 2016-17.

The principal activity of the company is that of a Hospice, caring for people at the end of their lives and supporting their families, friends and carers across our catchment area of Surrey and Sussex by providing in-patient beds and community outreach services. In addition, there is a wholly owned subsidiary company, St Catherine's Hospice Trading (Sussex) Limited (Company number 2822933), which raises funds for the Hospice.

Under our Articles of Association, Trustees continue to manage the business working collaboratively with the organisation's executive managers. Trustees are unpaid, drawn from our local community and contribute to the leadership of the Hospice's affairs by providing appropriate governance across a range of sub committees and by driving forward our agreed strategic aims. Trustees are recruited through local advertising and a robust selection process prior to being proposed for election by Members at the Annual General Meeting (held in October each year). Once elected, trustees serve for a maximum of two terms of four years each.

Trustees are required to hold at least four meetings in any year and this was achieved during the 2015/16 financial year, and there were more than 20 focused committee meetings all of which fed back to the full Hospice Board. The committees established by the Board are as follows:

- Quality Committee
- Resources Committee
- Board Effectiveness Committee
- Remuneration Committee
- New Build Committee
- Trading Board

The work of the committees was augmented by two Trustee/executive team strategy days and each Trustee undertook an inspection type visit to explore themes that our health care regulator, the Care Quality Commission would themselves inspect.

As at the date of signing these accounts there are 12 Trustees in post however as three trustees are scheduled to retire in the next few months a recruitment exercise is being conducted to strengthen our Trustee team further. The 12 Trustees who served St Catherine's Hospice during the year were as follows:

Simon Turpitt,	Chairman of the Board & Remuneration Committee Chair
D Gareth Jones	
Roy Leason	
Christine Maclean	Appointed 19 October 2015
John L St P Mansfield JP	
David Yates	Trading Board Chair
Yogita Rajani	
Barbara Williams	Board Effectiveness Chair
Anne Oates	Resources Committee Chair
Robin Richman	
Duncan Rudkin	Quality Committee Chair
Dr Chris Shearn	

St Catherine's Hospice Limited

DIRECTORS/TRUSTEES' REPORT

Roy Leason resigned from the Board in May 2016 after nearly 5 years service. The trustees would like to put on record their thanks to Roy for his valuable contribution during this time.

Giles Tomsett is the Chief Executive. Giles reports to the Chair of the Board of Trustees and meets with the Chair monthly. He attends all Board and nearly all committee meetings. He is supported by an executive team who manage the care delivery, income generation efforts (including our trading subsidiary) and the support functions which together, ensure the best possible patient and family care and support. The names and roles of the Executive Team members in post are shown on page 1. The current arrangement for setting the salaries for these posts are that individual spot salaries are set for each role - benchmarked against similar size and type organisation, economic area and benchmarking publications (Croner, Hospice Reward and Charity Reward for charities with income of around £9M - Median outside greater London). The plan is to review this arrangement in the next six months.

The Board and Executive Team continue to seek to strengthen our reach and range of services and build on our mission to support our patients and their families with highly personalised services. To make this more robust, we have continued our investment in demonstrating our commitment to quality 'from ward to Board' by continuing to hear the 'patient voice' at Board meetings and via our Service User Engagement Team which invites patients and users to share their perspectives on our services. Indeed, this group were involved in the process to select a new Chair as the current incumbent will step down in the near future. As the new Chair will need to strengthen the role of more than 800 volunteers and 200 paid staff who underpin what we do each and every day, it was highly beneficial to involve the group to share their views on our shortlisted candidates.

During the year the Executive Team met monthly to discuss compliments, complaints and concerns received and investigated. Outcomes are collated and reported to Trustees, and the Board therefore sees a variety of reflections and opinions. Compliments and positive feedback from patients and relatives continue significantly to outweigh the low number of complaints. During 2015/16 only 64 complaints were received and responded to.

In addition to matters of quality, the Executive Team also meet monthly to discuss risk management, the progress of our key initiatives and projects, our income generating efforts and all progress is reported to both relevant sub committees and the Board. One of our priority initiatives is our approach to services in Surrey and the year was marked by confirmation that Surrey County Council will close its care home operations throughout Surrey. In one of these buildings in Caterham we house our Surrey day hospice and other patient focused services and we have begun an extensive search to secure new premises in East Surrey.

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also Directors of St Catherine's Hospice Limited for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;

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- 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 charitable group will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable group 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 group and the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the Trustees are aware:

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

AUDITORS

haysmacintyre have been appointed auditor to the company under Section 485 of the Companies Act 2006.

This report, incorporating the Strategic report, was approved by the Board on 6 September 2016 and signed on its behalf by:

S R Turpitt
Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CATHERINE'S HOSPICE LIMITED

We have audited the financial statements of St Catherine's Hospice Limited for the year ended 31 March 2016 which comprise the Consolidated Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Consolidated Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out in the Trustees' Report 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.

We have been appointed auditor under the Companies Act 2006. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016 and of the group's and the parent charitable company's net movement in funds, including the group's and the parent income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report incorporating the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST CATHERINE'S
HOSPICE LIMITED

Matters on which we are required to report by exception

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

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

Anna Bennett (Senior statutory auditor)
26 Red Lion Square
for and on behalf of haysmacintyre, Statutory Auditor
London
WC1R 4AG

haysmacintyre is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

St Catherine's Hospice Limited

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES For Year Ended 31 MARCH 2016

Incorporating a Consolidated Income & Expenditure Account

	Notes	Unrestricted Funds			Total Funds	Total Funds
		General	Designated	Restricted	2015/16	2014/15
		£'000	£'000	£'000	£'000	£'000
INCOME From:						
Donations & Legacies						
Donations		2,145	-	47	2,192	2,188
Legacies		1,699	-	0	1,699	3,222
Other Grants		165	-	133	298	320
		<u>4,009</u>	<u>-</u>	<u>180</u>	<u>4,189</u>	<u>5,730</u>
Charitable Activities						
NHS Contracts & Grants		2,826	-	-	2,826	2,621
Education		24	-	-	24	15
	2	<u>2,850</u>	<u>-</u>	<u>-</u>	<u>2,850</u>	<u>2,636</u>
Trading Activities						
Shops		1,183	-	-	1,183	1,156
Lottery		893	-	-	893	705
Fundraising Events		506	-	-	506	567
		<u>2,582</u>	<u>-</u>	<u>-</u>	<u>2,582</u>	<u>2,428</u>
Investments	3	47	-	-	47	37
Other Income		11	-	-	11	13
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL INCOME		9,499	-	180	9,679	10,844
EXPENDITURE On:						
Raising Funds						
Cost of generating donations		786	-	-	786	1,128
Cost of Fundraising Trading - including cost of goods sold		2,095	-	27	2,122	1,710
Investment Management costs		24	-	-	24	49
		<u>2,905</u>	<u>-</u>	<u>27</u>	<u>2,932</u>	<u>2,887</u>
Charitable Activities						
Inpatient care		3,177	-	55	3,232	3,214
Community care		2,435	-	7	2,442	2,229
Daycare		618	-	63	681	654
Social support services		348	-	12	360	317
Education		310	-	3	313	410
		<u>6,888</u>	<u>-</u>	<u>140</u>	<u>7,028</u>	<u>6,824</u>
TOTAL EXPENDITURE	5	9,793	-	167	9,960	9,711
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Income/(Expenditure) on Operational Activities		(294)	-	13	(281)	1,133
Net Gains/(Losses) on Investments		(322)	-	(71)	(393)	1,351
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET INCOME/(EXPENDITURE) FOR YEAR		(616)	-	(58)	(674)	2,484
Transfers Between Funds		148	(148)	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET MOVEMENT IN FUNDS	6	(468)	(148)	(58)	(674)	2,484
Fund Balances Brought Forward at 1st April		5,498	10,868	2,030	18,396	15,912
Fund Balances Carried Forward at 31st March		5,030	10,720	1,972	17,722	18,396

All gains and losses arising in the year have been recognised in the Statement of Financial Activities and arise from continuing activities (2015 - the same).

The prior year comparators for each fund included above are included in Note 23

	Notes	Group		Hospice	
		31 March 2016 £'000	31 March 2015 £'000	31 March 2016 £'000	31 March 2015 £'000
Fixed assets					
<i>Tangible assets</i>	11	2,159	2,266	2,159	2,200
<i>Investments</i>	12	11,830	1,742	11,880	1,792
		13,989	4,008	14,039	3,992
Current assets					
Investments	13	1,361	10,168	1,361	10,168
Stock	14	10	8	-	-
Debtors	15	1,369	1,427	1,449	1,398
Cash at bank and in hand		1,759	3,861	1,646	3,733
		4,499	15,464	4,456	15,299
Liabilities					
<i>Creditors: amounts falling due within one year</i>	16	(499)	(860)	(495)	(669)
Net current assets		4,000	14,604	3,961	14,630
Total assets less current liabilities		17,989	18,612	18,000	18,622
<i>Creditors: amounts falling due in greater than one year</i>	9	(267)	(216)	(267)	(216)
Total net assets		17,722	18,396	17,733	18,406
The funds of the charity:					
<i>Restricted funds</i>	17	1,972	2,030	1,972	2,030
<i>Unrestricted funds</i>					
<i>Designated funds</i>	18	10,720	10,868	10,720	10,868
<i>General funds</i>	18	5,030	5,498	5,041	5,508
Total unrestricted		15,750	16,366	15,761	16,376
Total funds	19	17,722	18,396	17,733	18,406

The financial statements on pages 15 to 34 were approved by the board of directors and authorised for issue on 6 September 2016 and are signed on its behalf by:

Simon Turpitt
Chairman

The annexed notes form part of the financial statements

St Catherine's Hospice Limited
CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 March 2016

	Notes	2015/16 £'000	2014/15 £'000
Cash flows from operating activities:			
Net cash provided by/(used in) operating activities	22a	<u>(368)</u>	<u>2,531</u>
Cash flows from investing activities:			
<i>Dividends, interest and rents from investments</i>		47	37
<i>Purchase of property, plant and equipment</i>		(111)	(61)
<i>Proceeds from sale of investments</i>		330	902
<i>Purchase of investments</i>		<u>(2,000)</u>	<u>(500)</u>
Net cash provided by/(used in) investing activities		<u>(1,734)</u>	<u>378</u>
Change in cash and cash equivalents in the reporting period		<u>(2,102)</u>	<u>2,909</u>
<i>Cash and cash equivalents at the beginning of the reporting period</i>		3,861	952
Cash and cash equivalents at the end of the reporting period	22b	<u>1,759</u>	<u>3,861</u>

St Catherine's Hospice Limited

ACCOUNTING POLICIES

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

BASIS OF ACCOUNTING

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Hospice meets the definition of a public entity under FRS 102. Assets and liabilities are initially recognised at historical cost unless otherwise stated in the relevant accounting policy notes.

In preparing these accounts the Trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 the restatement of comparative items was required. No restatements were required.

LEGAL STATUS OF THE CHARITY

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up the liability in respect of the guarantee is limited to £1 per member.

GOING CONCERN

The trustees consider that there are no material uncertainties about St Catherine's Hospice Limited's ability to continue as a going concern. The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with estimating income from Legacies in these accounts. With regard to 2016/17 the most significant area of uncertainty is again in respect of Legacy income. The Hospice estimates an income of £1.4m from this source every year however actual income levels are highly unpredictable and have ranged from under £1m to over £6m in the last 5 years.

GROUP FINANCIAL STATEMENTS

These financial statements consolidate the results of the charity and its wholly-owned subsidiary St Catherine's Hospice Trading (Sussex) Limited on a line by line basis. A separate statement of financial activities, or income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006. The unconsolidated net expenditure of the Hospice was £759,000.

FUND ACCOUNTING

Unrestricted funds are available to spend on activities that further any of the purposes of the charity. Designated funds are unrestricted funds of the charity which the trustees have decided at their discretion to set aside to use for a specific purpose. Restricted funds are donations where the donor has specified they should only be used for particular areas of the hospice's work. The aim and use of each designated and restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

DONATED ASSETS

Tangible assets donated to the Hospice are recorded at the original estimate of their value to the company.

TANGIBLE FIXED ASSETS

Fixed assets other than donated assets are stated at historical cost. All assets costing more than £2,000 are capitalised.

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write down each asset to its estimated residual value evenly over its expected useful life, as follows:-

Freehold buildings	2% per annum on cost
Extensions and refurbishments	10% per annum on cost
Equipment (excluding leasehold improvements)	25% per annum on cost

St Catherine's Hospice Limited

ACCOUNTING POLICIES

Leasehold improvements
Motor vehicles

based on length of lease
25% per annum on cost

TAXATION

The company is considered to pass the tests set out in the Finance Act 2010 and therefore meets the definition of a charitable company for UK corporation tax purposes. Accordingly the company is potentially exempt from taxation on income or capital gains to the extent that such income or gains are applied exclusively to charitable purposes.

OPERATING LEASES

Rental costs under operating leases are charged to the general fund operating account in equal annual amounts in accordance with the terms of the lease. Any benefits received or receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period of the lease.

PENSION CONTRIBUTIONS

The Charity operates a defined contribution pension scheme, the assets of which are held separately from those of the Charity in independently administered funds chosen by individual staff. Some staff participate in the NHS defined benefit pension scheme. Any resulting liabilities on this scheme would be met by the State. Therefore contributions payable for the year in relation to either scheme are charged in the Statement of Financial Activities.

The Charity also participates in the Pensions Trust's Growth Plan (the Plan). The Plan is a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK. The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme.

The Charity is also making additional payments into the fund in order to eliminate the deficit. These payments commenced in April 2013 and are currently scheduled to continue until September 2025. To recognise the future liability and in accordance with FRS 102 the Charity has decided to make a provision for the present value of the outstanding deficit contributions.

Further details including the current buy-out debt amount and value of the provision are given in Note 9.

DONATIONS, GRANTS AND OTHER INCOME

Income is recognised in the Statement of Financial Activities when the charity is entitled to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the Statement of Financial Activities.

- In the event that a donation or grant is subject to fulfilling performance conditions before the charity is entitled to the funds the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period. Income from Gift Aid reclaims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income accrued in debtors.
- Income from NHS contracts, government or other grants, whether capital or revenue in nature are recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably.

St Catherine's Hospice Limited

ACCOUNTING POLICIES

- Income from legacies is determined on a case by case basis in accordance with the following principles. Pecuniary legacies are recognised once probate has been granted and notification has been received that payment will be received. Residuary legacies are recognised once probate has been granted, provided that sufficient information has been received to enable valuation of the Hospice's entitlement with sufficient certainty; amounts receivable are included at 90% of their valuation, to reflect the sector's experience of the uncertainty inherent in the administration of estates, subject to further reduction to reflect the impact of other factors such as the valuation of unrealised estate assets or subsequent adverse movements in property and investment markets. Where legacies have been notified to the charity or the charity is aware of the granting of probate and the criteria for income recognition have not been met then the legacy is treated as a contingent asset and disclosed if material.
- Income, including sponsorship received in advance for a future fundraising event or for a grant received relating to the following year is deferred until the criteria for income recognition is met.
- Items donated for resale through the retail shops are included in the accounts when the items are sold.
- Investment income is included when receivable and the amount can be measured reliably, usually when the notification of interest payable is received from the bank. Dividends are recognised once the dividend has been declared and notification has been received of the amount due.
- All subscriptions for the lottery draws are deferred, with income drawn down each week. All other income received in one period but relating to future periods is shown as deferred income under creditors.

DONATED GOODS AND SERVICES

Donations of goods and services, including seconded NHS doctors, are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from its use is probable and the economic benefit can be reliably measured. These items are included in income at the estimated value of the gift to the charity when received based on the amount the charity would have been prepared to pay had it been required to purchase them.

VOLUNTEERS

The value of the services provided by volunteers is not incorporated into these financial statements. Further details of their contribution are provided in note 10.

EXPENDITURE

Expenditure is included in the Statement of Financial Activities on an accruals basis once there is a legal obligation to make a payment, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

Costs of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies; investment management fees; costs of fundraising activities including the costs of goods sold, shop costs, commercial trading and their associated support costs. Fundraising costs do not include the costs of disseminating information in support of the hospice's charitable activities.

Expenditure on charitable activities includes the costs of providing specialist palliative care and support to patients, their families and the wider community; research and other educational activities undertaken to further the purposes of the charity and their associated support costs.

Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the Hospice and include governance cost, finance and office costs. Governance costs are those costs incurred in connection with complying with constitutional and statutory requirements of the charity. Where practicable irrecoverable VAT is charged as accost against the activity for which the expenditure was incurred.

Support costs are allocated to each of the activities on a variety of bases, principally head count, floor area or time spent on activities depending on the nature of the support costs, to best allocate the costs to each attributable heading. More details on the analysis and basis of allocation is given in note 5.

St Catherine's Hospice Limited

ACCOUNTING POLICIES

FINANCIAL INSTRUMENTS

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

INVESTMENTS

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price, except for the shares in the trading subsidiary which are carried at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired during the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

The charity does not acquire put options, derivatives or other complex financial instruments. The main form of financial risk faced by the charity is that of volatility in equity and bond markets due to wider economic conditions, the attitudes of investors to investment risk and changes in sentiment concerning equities and other instruments within particular sectors.

INVESTMENT PROPERTIES

Investment properties are included in the Balance sheet at their open market value and are not depreciated. The assets are revalued every year on the basis of professional valuation advice.

STOCK

Stock of goods for resale is valued at the lower of cost and net realisable value. Stock donated for resale are not included in the financial statements until they are sold because the Trustees consider it impractical to be able to assess the amount of donated stocks as there are no systems in place to record these until they are sold and undertaking a stock take would incur undue cost and income loss for the charity which would far outweigh the benefits.

DEBTORS

Trade and other debtors are recognised at the settlement amount due after any discounts offered. Prepayments are valued at the amount prepaid net of any discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

CASH AT BANK AND IN HAND

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

CREDITORS

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

St Catherine's Hospice Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2016

1 INCOME

Incoming resources derive from the group's principal activities carried on wholly in the United Kingdom.

2	INCOME FROM CHARITABLE ACTIVITIES	2016	2015
		£'000	£'000
	NHS Block Contract/Grant	2,408	2,395
	NHS Contribution to Drug costs	108	-
	NHS contribution to Lymphoedema service	160	47
	Income from Continuing Healthcare (CHC)	128	
	107		
	Other Service Contracts	22	72
	Education Income	24	15
		<u>2,850</u>	<u>2,636</u>

3	INCOME FROM INVESTMENTS	2016	2015
		£'000	£'000
	Interest received	7	5
	Property Rents	40	32
		<u>47</u>	<u>37</u>

4 TRADING OPERATIONS

The wholly owned trading subsidiary, St Catherine's Hospice Trading (Sussex) Limited, UK company registration number 02822993, pays all of its eligible profits to the charity under Gift Aid. St Catherine's Hospice Trading (Sussex) Limited operates shops selling donated goods and manages the Hospice Coffee Shop. The charity owns the entire issued share capital of 50,000 shares of £1 each.

A summary of the trading results is shown below.

	2016	2015
	£'000	£'000
Turnover	147	1,149
Cost of sales	(55)	(104)
Gross profit	<u>92</u>	<u>1,045</u>
Other operating expenses (net)	(75)	(1,054)
Profit on ordinary activities	<u>17</u>	<u>(9)</u>
Donations under Gift Aid	(17)	-
Corporation Tax	(1)	
Retained in the subsidiary	<u>(1)</u>	<u>(9)</u>

The reduction in turnover in the trading subsidiary reflects the decision of the Trustees to retain the sale of donated goods and goods sold under the retail gift aid scheme within the Hospice with effect from 1 April 2015.

St Catherine's Hospice Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2016

5	EXPENDITURE	Direct Costs £'000	Support Costs £'000	Depreciation £'000	Total 2016 £'000	Total 2015 £'000
	Raising funds:					
	Voluntary income	594	185	7	786	1,128
	Fundraising events	266	35	1	302	234
	Retail shops	1,216	208	48	1,472	1,166
	Lottery costs	325	22	1	348	310
	Investment management	<u>1</u>	<u>23</u>	<u>-</u>	<u>24</u>	<u>49</u>
		2,402	473	57	2,932	2,887
	Charitable activities:					
	Inpatient care	2,615	520	97	3,232	3,214
	Community care	1,967	458	17	2,442	2,229
	Daycare	490	151	40	681	654
	Social support services	253	103	4	360	317
	Education	<u>265</u>	<u>45</u>	<u>3</u>	<u>313</u>	<u>410</u>
		5,590	1,277	161	7,028	6,824
		<u>7,992</u>	<u>1,750</u>	<u>218</u>	<u>9,960</u>	<u>9,711</u>

ANALYSIS OF SUPPORT COSTS

Basis of Allocation	Chief Exec office	Human resources	Finance	ICT	Facilities	Business Support	Corporate Comms	Governance	Total
	Time allocation £'000	Staff fte's £'000	Staff fte's £'000	No of devices £'000	Floor Area £'000	Time allocation £'000	Time allocation £'000	Staff fte's £'000	£'000
Generating donations	37	34	18	22	14	-	43	17	185
Fundraising Trading etc Investment Management	18	86	35	23	26	-	29	48	265
Inpatient care	17	5	1	-	-	-	-	-	23
Community care	26	115	48	43	134	61	29	64	520
Daycare	26	113	46	58	38	86	29	62	458
Social support	10	32	6	19	43	25	9	7	151
Education	10	25	9	9	11	24	3	12	103
Education	<u>9</u>	<u>8</u>	<u>4</u>	<u>12</u>	<u>5</u>	<u>-</u>	<u>3</u>	<u>4</u>	<u>45</u>
Total 2015/16	153	418	167	186	271	196	145	214	1,750

6	NET INCOME	2016 £'000	2015 £'000
	Net income is stated after charging:		
	Depreciation and amounts written off tangible fixed assets:		
	Charge for the year:		
	Owned assets	218	236
	Operating lease rentals:		
	Equipment	15	11
	Shops and office	327	317
	Auditors' remuneration (for audit services)	12	30
	Other services to Group	<u>2</u>	<u>6</u>

Auditors' remuneration 2014/15 includes two years of audit costs..
Overall net outgoing resources from hospice activities in 2015/16
were £0.69m (2014/15 surplus of £2.493m).

St Catherine's Hospice Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2016

7 EMPLOYEES

	2016 No	2015 No
The average weekly number of persons employed by the group during the year was:		
Fundraising	17	16
Trading company	28	28
Inpatient care	44	46
Community care	43	45
Daycare	5	5
Social support services	8	8
Education	3	4
Chief executive	1	1
Admin & support staff	47	46
	196	199
	196	199

The Hospice employs a significant number of staff on a part-time basis. The average number of staff shown above are calculated to show the full time equivalent staff numbers.

	2016 £'000	2015 £'000
Staff costs for the above persons:		
Wages and salaries	6,115	5,903
Social security costs	562	551
Other pension costs	484	394
	7,161	6,848
	7,161	6,848

The staff costs for 2015/16 shown above include an ex gratia payment of £7,500 to one employee (2014/15 £38,000 3 employees). Pension Costs for both years are shown net of NHS funding of £64,000. No emolument was paid during the year to any of the Directors (2015: £Nil) and no Director was reimbursed for expenses (2015: £Nil). Included in the staff costs above is £204,000 (2014 £190,000) in respect of seconded NHS doctors paid from NHS funds.

The number of employees who received emoluments in the following ranges was:

	2016	2015
£60,001 - £70,000	2	1
£70,001 - £80,000	-	1
£80,001 - £90,000	3	1
£90,001 - £100,000	1	1
£100,000 - £110,000	1	1

All of the above higher paid employees are accruing retirement benefits under schemes treated as defined contribution schemes. The company made pension contributions of £72,000 on behalf of these staff in 2015/16. During 2014/15 both the Chief Executive and Director of Nursing Services left and were replaced. If both post holders had been in role all that year there would have been 1 additional employee in the £60-£70,000 band and 1 additional employee in the £80-£90,000 band.

KEY MANAGEMENT PERSONNEL

The Hospice considers that the key management personnel comprise the trustees and the senior management team – who are the Chief Executive and 7 other key Directors and Heads of Service. The total employee benefits of the key management staff was £571,000 (2014/15 £553,000). This includes part year costs of staff that filled these posts on a temporary basis over the two years.

8 RELATED PARTY TRANSACTION

During the year no Trustees received any remuneration or benefits in kind (2015 £Nil).
During the year a Trustee received reimbursement of £13 of travel expenses (2015 £Nil).

The company has taken advantage of the exemption from disclosing related party transactions with the wholly owned trading subsidiary, St. Catherine's Hospice Trading (Sussex) Limited. There was no related party transaction requiring disclosure in 2015/16.

9 PENSION CONTRIBUTIONS

The charity makes contributions to the National Health Service Pension Scheme for participating employees. The NHS Scheme is a defined benefit scheme. As the scheme is a multi-employer scheme and the charity is unable to identify its share of the underlying assets and liabilities, this scheme is accounted for by the Charity as a defined contribution scheme. Any resulting liabilities on this scheme would be met by the State. Therefore contributions payable for the year in relation to the scheme are charged in the Statement of Financial Activities

The company participates in a pension scheme operated by the Pensions Trust called Growth Plan. This scheme is, a multi-employer scheme which provides benefits to some 1,300 non-associated participating employers. The scheme is a defined benefit scheme in the UK. It is not possible for the company to obtain sufficient information to enable it to account for the scheme as a defined benefit scheme. Therefore it accounts for the scheme as a defined contribution scheme.

The scheme is subject to the funding legislation outlined in the Pensions Act 2004 which came into force on 30 December 2005. This, together with documents issued by the Pensions Regulator and Technical Actuarial Standards issued by the Financial Reporting Council, set out the framework for funding defined benefit occupational pension schemes in the UK.

The scheme is classified as a 'last-man standing arrangement'. Therefore the company is potentially liable for other participating employers' obligations if those employers are unable to meet their share of the scheme deficit following withdrawal from the scheme. Participating employers are legally required to meet their share of the scheme deficit on an annuity purchase basis on withdrawal from the scheme. The charity has been notified by The Pensions Trust of the estimated employer payment on withdrawal from the scheme as at 31 September 2015. As of this date the estimated employer payment for the Hospice was £501,352. The potential debt is not included in the financial statements.

A full actuarial valuation for the scheme was carried out at 30 September 2011. This valuation showed assets of £780m, liabilities of £928m and a deficit of £148m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

Deficit contributions

From 1 April 2013 to 31 March 2023:	£13.9m per annum (payable monthly and increasing by 3% each on 1st April)
-------------------------------------	---

A full actuarial valuation for the scheme was carried out at 30 September 2014. This valuation showed assets of £793m, liabilities of £970m and a deficit of £177m. To eliminate this funding shortfall, the Trustee has asked the participating employers to pay additional contributions to the scheme as follows:

St Catherine's Hospice Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2016

9 PENSION CONTRIBUTIONS (continued)

Deficit contributions

From 1 April 2016 to 30 September 2025:	£12,945,440 per annum increasing by 3% each on 1st April)	(payable monthly and
From 1 April 2016 to 30 September 2028:	£54,560 per annum increasing by 3% each on 1st April)	(payable monthly and

The recovery plan contributions are allocated to each participating employer in line with their estimated share of the Series 1 and Series 2 scheme liabilities. Where the scheme is in deficit and where the company has agreed to a deficit funding arrangement the company recognises a liability for this obligation. The amount recognised is the net present value of the deficit reduction contributions payable under the agreement that relates to the deficit. The present value is calculated using the discount rate detailed in these disclosures. The unwinding of the discount rate is recognised as a finance cost.

PRESENT VALUES OF PROVISION

	2016 £'000	2015 £'000	2014 £'000
Present Value of Provision	<u>267</u>	<u>216</u>	<u>236</u>

RECONCILIATION OF OPENING AND CLOSING PROVISIONS

	2015/16 £'000	2014/15 £'000
Provision at start of period	216	236
Unwinding of the Discount Factor (interest expense)	5	6
Deficit Contribution Paid	(27)	(26)
Remeasurement – amendment to contribution schedule	<u>73</u>	<u>-</u>
Provision at End of Period	267	216

INCOME AND EXPENDITURE IMPACT

	2015/16 £'000	2014/15 £'000
Interest Expense	5	6
Remeasurement – amendment to contribution schedule	<u>73</u>	<u>-</u>
Costs charged to Income and Expenditure account	78	6

ASSUMPTION: A rate of discount of 2.5% has been assumed in both 2014/15 and 2015/16 representing the Hospice's estimate of the cost of money to the charity.

The Hospice also participates in a defined contribution pension scheme operated by the Pensions Trust, the assets of which are held separately from those of the Hospice. Employees contribute between 2% and 6% of their salary with the charity contributing 150% of the employee contribution.

The total pension cost charge of the group represents contributions payable by the charity and amounted to £484,000 (2015: £414,000). The figures have been shown net of NHS funding.

At the year end contributions outstanding totalled £32,000 (2015: £30,000) and are included in the creditors. The estimated employer pension contributions payable by the company in 2016/17 is £425,000.

St Catherine's Hospice Limited
 NOTES TO THE FINANCIAL STATEMENTS
 For the year ended 31 March 2016

10 VOLUNTARY HELP

The Charity is dependent upon a team of part-time voluntary helpers who assist in all areas of the charity's care. Overall, St Catherine's is supported by 840 volunteers who provided over 50,600 hours of support in 2015/16. There are three key types of volunteer:

Hospice Volunteers - providing a range of clinical services (e.g. complementary therapy, counselling, patient drivers) and support services (e.g. administration, hospitality, gardeners). These 240 volunteers provided more than 21,800 hours.

Retail Volunteers - providing sorting and till support to 16 charity shops, our warehouse and e-commerce work. These 300 volunteers provided more than 27,600 hours.

Community - supporting our fundraising work through Friends groups, running street collections and supporting events (e.g. marshalling, registration, refreshments, game stalls). These 300 volunteers provided more than 1,100 (excludes Friends groups)

11 TANGIBLE FIXED ASSETS	<i>Freehold land and buildings</i> £'000	<i>Equipment</i> £'000	<i>Motor vehicles</i> £'000	<i>Total</i> £'000
GROUP				
Cost or valuation				
1 April 2015	3,899	829	52	4,780
Additions	-	111	-	111
Disposals	-	(17)	-	(17)
31 March 2016	3,899	923	52	4,874
Depreciation				
1 April 2015	1,756	706	52	2,514
Charged in the year	131	87	-	218
Disposals	-	(17)	-	(17)
31 March 2016	1,887	776	52	2,715
Net book value				
31 March 2016	2,012	147	-	2,159
31 March 2015	2,143	123	-	2,266

St Catherine's Hospice Limited
 NOTES TO THE FINANCIAL STATEMENTS
 For the year ended 31 March 2016

11 TANGIBLE FIXED ASSETS (continued)

HOSPICE	<i>Freehold land and buildings</i> £'000	<i>Equipment</i> £'000	<i>Motor vehicles</i> £'000	<i>Total</i> £'000
Cost				
1 April 2015	3,899	626	39	4,564
Transfer		203	13	216
Additions	-	111	-	111
Disposals	-	(17)	-	(17)
31 March 2016	<u>3,899</u>	<u>923</u>	<u>52</u>	<u>4,874</u>
Depreciation				
1 April 2015	1,756	569	39	2,364
Transfer		137	13	150
Charged in year	131	87	-	218
Disposals	-	(17)	-	(17)
31 March 2016	<u>1,887</u>	<u>776</u>	<u>52</u>	<u>2,715</u>
Net book value				
31 March 2016	<u>2,012</u>	<u>147</u>	<u>-</u>	<u>2,159</u>
31 March 2015	<u>2,143</u>	<u>57</u>	<u>-</u>	<u>2,200</u>

On 1 April 2015 the net assets of the wholly owned subsidiary, St Catherine's Hospice trading (Sussex) Limited were transferred to the main Hospice company at net book value (£66,000). These assets which comprised the cost of shop refits, IT and other equipment were transferred to reflect the transfer of the main activity of the retail shops, namely the sale of donated goods to the hospice, see also note 4.

Freehold land was donated to the Hospice and valued at £60,000 by the Directors in December 1983.

All freehold land and buildings are included in the financial statements at lower of cost and open market value. In the opinion of the Directors, the open market value of the freehold land and buildings is not less than the stated value.

St Catherine's Hospice Limited
 NOTES TO THE FINANCIAL STATEMENTS
 For the year ended 31 March 2016

12	FIXED ASSETS INVESTMENTS	<i>Listed Investments £'000</i>
	Cost or market value	
	1 April 2015	1,742
	Transfer from Current Investments	8,497
	Additions	2,000
	31 March 2016	<u>12,239</u>
	Provision for unrealised gain/(loss)	(409)

	Market value	
	31 March 2016	11,830
		=====
	Historical cost	9,165
	31 March 2016	=====

Investments held by the Hospice also include an additional £50,000 (2015: £50,000) investment in the subsidiary company at cost.

The listed investments at 1/4/2015 formed part of the Foundation Fund. As at the start of the year it was assessed that the bulk of the General Fund investments that had previously been classified as short term investments were more appropriate to classify as long term investments and were accordingly transferred from current to long term assets.

During the year a further £2m was invested with Rathbones Ltd.

As at 31 March 2016 the portfolio is invested as follows:

51.3% Sarasin & Partners LLP
 48.7% Rathbones Limited

Investments listed in the UK: 55.1%

Investments listed overseas: 44.9%

Subsidiary company:				<i>Aggregate capital & reserves £'000</i>	<i>Result for the year £'000</i>
<i>Name</i>	<i>Country of incorporation</i>	<i>Class of holding</i>	<i>Proportion Held</i>		
St Catherine's Hospice Trading (Sussex) Limited	England	Ordinary	100%	39	(1)

St Catherine's Hospice Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2016

13 INVESTMENTS HELD AS CURRENT ASSETS

	Investment Properties £'000	Listed Investments £'000	Total £'000
Market value			
1 April 2015	897	9,271	10,168
Transfer to Fixed Asset Investments	-	(8,497)	(8,497)
Donation of shares	-	5	5
Disposals	(330)	-	(330)
	<hr/>	<hr/>	<hr/>
31 March 2016	567	779	1,346
Realised gain/(loss)	15	-	15
	<hr/>	<hr/>	<hr/>
Market value			
31 March 2016	582	779	1,361
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Historical cost			
31 March 2016	582	522	1,104
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

At 31 March 2016 the listed investment portfolio is invested entirely with Sarasin & Partners LLP
Investments listed in the UK: 96%
Investments listed overseas: 4%

The Hospice received donations of shares valued at £5,000 during the year. The remaining shares held by the Hospice with the intention of disposal during the next year were revalued at 31 March generating an unrealised loss of less than £500. Any proceeds will not be reinvested.

All the investment properties are held for sale. £315,000 of those assets were sold during the year realising a net gain of £15,000 leaving properties with an estimated net realisable value of £582,000 as at 31 March 2016. The portfolio of investment properties was valued by Crickmay Chartered Surveyors of West Sussex RH12 as of 31 March 2016. The Trustees do not consider there has been any material change to this valuation since then.

14	STOCK	Group		Hospice	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
	Goods for resale	10	8	-	-
		<hr/>	<hr/>	<hr/>	<hr/>
15	DEBTORS	Group		Hospice	
		2016 £'000	2015 £'000	2016 £'000	2015 £'000
	Trade debtors	79	193	79	193
	Amount due from subsidiary company	-	-	81	48
	Other debtors	75	20	75	-
	Prepayments and accrued income	1,215	1,214	1,214	1,157
		<hr/>	<hr/>	<hr/>	<hr/>
		1,369	1,427	1,449	1,398
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The amounts for prepayments and accrued income include accruals in respect of pecuniary and residuary legacies amounting to £993,000 at 31 March 2016 (2015: £838,000).

St Catherine's Hospice Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2016

16 CREDITORS: Amounts falling due within one year

	Group		Hospice	
	2016 £'000	2015 £'000	2016 £'000	2015 £'000
Trade and other creditors	175	231	173	194
Taxation and social security costs	172	154	170	151
Accruals & deferred income	<u>152</u>	<u>475</u>	<u>152</u>	<u>324</u>
	<u>499</u>	<u>860</u>	<u>495</u>	<u>669</u>

17 RESTRICTED FUNDS GROUP AND CHARITY	Balance	Income	Expenditure	Investment Gains/ (Losses)	Balance
	1 April 2015 £'000				31 March 2016 £'000
Foundation Fund	1,797	47	(27)	(71)	1,746
Garden Fund	1	-	-	-	1
Equipment Fund	14	8	(6)	-	16
DoH Dignity in Care Grant	52	-	(19)	-	33
Capital Expenditure Fund	51	42	(29)	-	64
FG Roberts Fund	15	18	(14)	-	19
DH Hospice Capital Fund	57	-	(10)	-	47
Creative Therapies	6	3	(3)	-	6
Child Bereavement	10	10	(10)	-	10
Day Hospice Groups	27	-	(27)	-	-
Dementia Nursing	-	30	-	-	30
Other restricted income	-	<u>22</u>	<u>(22)</u>	-	-
	<u>2,030</u>	<u>180</u>	<u>(167)</u>	<u>(71)</u>	<u>1,972</u>

Foundation Fund – exists primarily to support the running costs of the Hospice in the event of severe cash flow difficulties.

Garden fund - represents monies raised through the 21st Birthday appeal to re-develop the Hospice garden.

Equipment Fund – represents monies raised to fund specific items of equipment.

DoH Dignity in Care grant – was a one-off grant for a major extension of Day Hospice facilities.

Capital Expenditure Fund – has been set up for the purchase of fixed assets from donations to restricted funds.

FG Roberts Fund – represents donations for specific projects from this fund not spent fully by the year end.

DH Hospice Capital Fund – a one-off grant for a major refurbishment of the reception area and equipment to improve handling of patient related enquiries.

Creative Therapies – funds to support creative activities, primarily in the Day Hospice.

Child Bereavement – grant funding to finance bereavement counselling for children.

Day Hospice Groups – the balance of grants made to finance the operation of a range of group activities for Day Hospice patients.

Dementia Nursing – funds donated by the Ernest Kleinwort Charitable Trust towards the costs of a specialist dementia nurse.

Other Restricted Income – other income of a restricted nature received and spent during the year.

St Catherine's Hospice Limited
NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2016

18	UNRESTRICTED FUNDS	Balance 1 April 2015 £'000	Income £'000	Expenditure £'000	Investment Gains / (Losses) £'000	Transfers £'000	Balance 31 March 2016 £'000
	DESIGNATED FUNDS						
	Capital Assets Fund	2,106	-	-	-	(86)	2,020
	Shemeld Legacy Capital	7,812	-	-	-	-	7,812
	Hospice Development	<u>950</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(62)</u>	<u>888</u>
		10,868	-	-	-	(148)	10,720
	GENERAL FUNDS	<u>5,498</u>	<u>9,499</u>	<u>(9,793)</u>	<u>(322)</u>	<u>148</u>	<u>5,030</u>
	TOTAL UNRESTRICTED FUNDS	<u>16,366</u>	<u>9,499</u>	<u>(9,793)</u>	<u>(322)</u>	<u>-</u>	<u>15,750</u>

The Capital Assets Fund represents the total net book value of the unrestricted tangible fixed assets held by the Hospice.

The Shemeld Legacy Capital Fund mainly constitutes the proceeds of a major bequest by John Shemeld and represents monies set aside to finance the future major capital developments that are required to maintain and enhance the services of the Hospice.

The Hospice Development Fund represents funds set aside to finance future service developments in line with the Hospice's strategic objectives of reaching more people who are dying and meeting the needs of a wider range of people affected by death or dying.

19	ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS	Unrestricted General and Designated Funds £'000	Restricted £'000	Total Funds £'000
	Fund balances at 31 March 2016 represented by:			
	Tangible fixed assets	2,020	139	2,159
	Fixed Asset Investments	10,160	1,670	11,830
	Current Asset Investments	1,361	-	1,361
	Current assets	2,975	163	3,138
	Current liabilities	(499)	-	(499)
	Provisions	(267)	-	(267)
		<u>15,750</u>	<u>1,972</u>	<u>17,722</u>

20 MEMBERS OF THE HOSPICE

There are 41 members of the company who are required to contribute £1 each in the event of the company being wound up.

St Catherine's Hospice Limited
 NOTES TO THE FINANCIAL STATEMENTS
 For the year ended 31 March 2016

21 OPERATING LEASE COMMITMENTS

At 31 March 2016 the group was committed to make the following payments in respect of operating leases:

	2016 £'000	2015 £'000
Land and buildings		
amounts due within one year	78	60
amounts due in two to five years	155	164
amounts due in over five years	137	93
Other		
amounts due within one year	-	11
Amounts due in two to five years	17	-
	<u>387</u>	<u>328</u>

Payments under operating leases are recognised as expenditure as they fall due. No provision has been made for future commitments.

22 CASH FLOWS

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

	2015/16 £'000	2014/15 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(674)	2,484
Adjustments for:		
Depreciation charges	218	236
(Gains)/losses on investments	394	(1,177)
Dividends, interest and rents from investments	(47)	(37)
Non Cash Donation (shares and property)	(5)	(1,809)
(Increase)/decrease in stocks	(2)	20
(Increase)/decrease in debtors	58	2,359
Increase/(decrease) in Provisions	51	(20)
Increase/(decrease) in creditors	(361)	475
Net cash provided by/(used in) operating activities	<u>(368)</u>	<u>2,531</u>

b **Analysis of cash and cash equivalents**

	31 March 2016 £'000	31 March 2015 £'000
Cash in hand	321	279
Notice deposits (less than 3 months)	1,438	3,582
Total cash and cash equivalents	<u>1,759</u>	<u>3,861</u>

St Catherine's Hospice Limited
 NOTES TO THE FINANCIAL STATEMENTS
 For the year ended 31 March 2016

23 SoFA PREVIOUS YEAR COMPARATIVES

	Unrestricted Funds			Total Funds
	General	Designated	Restricted	2014/15
	£'000	£'000	£'000	£'000
INCOME from:				
Donations & Legacies				
Donations	2,124	-	64	2,188
Legacies	3,222	-	-	3,222
Other Grants	155	-	165	320
	<u>5,501</u>	<u>-</u>	<u>229</u>	<u>5,730</u>
Charitable Activities				
NHS Contracts & Grants	2,621	-	-	2,621
Education	15	-	-	15
	<u>2,636</u>	<u>-</u>	<u>-</u>	<u>2,636</u>
Trading Activities				
Shops	1,156	-	-	1,156
Lottery	705	-	-	705
Fundraising Events	567	-	-	567
	<u>2,428</u>	<u>-</u>	<u>-</u>	<u>2,428</u>
Investments	37	-	-	37
Other Income	13	-	-	13
TOTAL INCOME	10,615	-	229	10,844
EXPENDITURE on:				
Raising Funds				
Cost of generating donations	1,128	-	-	1,128
Cost of Fundraising Trading - including cost of goods sold	1,676	-	34	1,710
Investment Management costs	49	-	-	49
	<u>2,853</u>	<u>-</u>	<u>34</u>	<u>2,887</u>
Charitable Activities				
Inpatient care	3,148	-	66	3,214
Community care	2,208	-	21	2,229
Daycare	561	-	93	654
Social support services	313	-	4	317
Education	410	-	-	410
	<u>6,640</u>	<u>-</u>	<u>184</u>	<u>6,824</u>
TOTAL EXPENDITURE	9,493	-	218	9,711
Net Income/(Expenditure) on Operational Activities	1,122	-	11	1,133
Net Gains/(Losses) on Investments	1,150	-	201	1,351
NET INCOME/(EXPENDITURE) FOR YEAR	2,272	-	212	2,484
Transfers Between Funds	(844)	844	-	-
NET MOVEMENT IN FUNDS	1,428	844	212	2,484
Fund Balances Brought Forward at 1st April	5,358	8,736	1,818	15,912
Fund Balances Carried Forward at 31st March	6,786	9,580	2,030	18,396