

HOSPICE CARE FOR BURNLEY AND PENDLE

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

COMPANY REGISTRATION NUMBER 2280991

REGISTERED CHARITY NUMBER 700993



HOSPICE CARE FOR BURNLEY AND PENDLE

FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

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**HOSPICE CARE FOR BURNLEY AND PENDLE
OFFICERS AND PROFESSIONAL ADVISERS**

The Board of Directors

Miss M B Jobling
Mrs M Cadman
Mr J T Jones
Dr E Lockwood
Mr D A Smith
Mrs B Snell
Mr T Taylor
Mr H Tuley
Miss E Ramsbottom
Mrs M Monckton
Mr D Brown
Mrs P M E Harling
Mr A McGeorge
Mrs C. Buchanan

Address

Pendleside
Colne Road
Reedley
Burnley
Lancashire
BB10 2LW

Auditors

P M & M
Chartered Accountants
& Registered Auditors
83 Bank Parade
Burnley
Lancashire

Investment advisers

James Brearley & Sons
Grimshaw Street
Burnley
Lancashire

Bankers

National Westminster Bank
2 Howe Walk
Burnley
Lancashire

Accountants

Cassons
Chartered Accountants
Ashworth House
Manchester Road
Burnley
Lancashire

HOSPICE CARE FOR BURNLEY AND PENDLE

THE DIRECTORS' REPORT

YEAR ENDED 31ST MARCH 2004

The directors have pleasure in presenting their report and the financial statements of the company for the year ended 31st March 2004.

Principal activities and business review

The Company is registered as a Charity (No. 700993) with the Charity Commission and operates from its own purpose built Hospice known as Pendleside In Colne Road, Reedley, Burnley. The building comprises a ten bedded Inpatient unit, a twelve place Day Therapy unit, a Hospice at Home day and night service and administration offices.

The Charity's purpose continues to be to promote and provide palliative care of the highest standard for the people of Burnley and Pendle with life limiting illnesses and to do so in partnership with the statutory services and other independent organisations. Its aim is to promote the quality of life for each individual accessing the services and also that of their families, friends and carers. Care is provided free of charge to all people of 18 years and over and is based on individualised and appropriate need for as long as is required. Some Inpatient care is also provided for patients from the Rossendale area.

The Charity is constituted as a Company limited by guarantee and its articles of association provide that directors shall retire by rotation every three years but may then offer themselves for re-election. The Chairman is appointed from time to time by the Executive Committee.

The Board has delegated authority to four sub-committees on specific matters and each Director takes an active role (along with relevant Senior Staff) in one or more of these sub-committees, these being Clinical Governance, Human Resources, Finance and Fund Raising. They have formal terms of reference, meet monthly and report to the Board at its quarterly meeting.

The Board as a whole and each Director as a Trustee are collectively responsible for the wellbeing of the Charity within a framework of prudent and effective controls which enable risk to be assessed and managed. They have also to ensure that the aims and objectives of the Charity are maintained and to understand their obligations to all stakeholders and the local community and statutory services who help to finance the work. Add to this the need to comply with relevant laws and regulations which become evermore demanding and it can be seen that without Trustees working alongside senior staff to review and write-up our policies and procedures there would be an even higher expenditure. We can no longer operate without the input of trained personnel and Trustees skilled in these matters. We do try to respond in a positive way to the many requirements made upon us by the Healthcare Commission and other agencies and so ensure that our care is of the highest possible standard for all our patients and that our staff are well trained and appropriately remunerated and treated.

The past year has been busy and challenging in many ways but it is with much relief that we can now see a resolution of the problems we have had in trying to ensure proper medical cover within the Hospice. Dr Susan Corkhill who has been working as our Medical Director since January 2001 as a contractor for services, has now been employed by the Hyndburn & Ribble Valley Primary Care Trust as our Medical Director. Her contract will be held with that Trust who will pay her but we have their assurance that her services at Pendleside to our patients will continue as before. She will be based within the Hospice and able to extend palliative care services to the wider community of Burnley, Pendle & Rossendale.

The continuing failure of East Lancashire to secure the appointment of two Consultants in Palliative Care (in spite of national advertising) has also led to the Hospice receiving additional 'slippage money' from funds set aside for these posts. Having been inequitably funded from statutory funds in the past, this goes some way to redressing that situation.

The Board were pleased to meet with Peter Pike M.P. for Burnley during the summer when he listened to our concerns of the inequitable share of funding from Government sources which we were then receiving and also the increased expenditure on senior staff time and fees which have to be paid to the various bureaucratic agencies created by Government

The Board, staff, volunteers and patients alike all derived much pleasure from a visit in January by our President, Lord Shuttleworth and his wife, Lady Shuttleworth, when they both spent time seeing and hearing of what has been achieved since Pendleside opened in 1997.

This year has also seen the first visit of the Care Standards Inspectorate appointed to check on our compliance with the many regulations contained in the Care Standards Act. We knew from previous inspections made by the former East Lancashire Health Authority and from appreciation expressed by our stakeholders and patients that our patient care and premises were of very high quality and much appreciated but there is now requirement for a large number of written policies to be put into place to support what is done and these have to be communicated to all staff. The Board are confident that Senior Managers are working hard to meet all requirements of the inspectorate and to respond positively to the contents of the report. Henry Ford once said " There is nothing we are doing today which we cannot do better tomorrow and we must never cease to strive for this".

As with the world at large nothing remains static and within all Hospices there is a climate of change which requires us to work flexibly and at a rapid pace with changes in the make-up of our communities, their health care needs and evolving relationships with the N.H.S. Trusts, Social Services and other voluntary services. Our management team are working hard to build good relationships with all these bodies and together to ensure (as partners) the best possible care for people of this area. It is seen as a welcome initiative to have Mrs. Margaret Talukdar as a link representative from the Primary Health Care Trust.

The year has seen several changes in Trustees and staff. It was with great sadness that we mourned the loss of Joan Ashworth who died in the Hospice in February after a three year battle against cancer. Joan was known and loved throughout the area for her dedication and commitment to the Hospice. She was our first Fund Raiser, founder of the Crowther Street Fund Raising Group, champion of the first and subsequent seven Charity shops which she nurtured and developed over the years, a hard working Trustee and a very special friend to us all. She is sadly missed.

Another founder member and Trustee, Pamela Baxter resigned at the annual General meeting in November after serving on the Board as Nurse advisor and being an original member of the Management group which developed Home Care & Day Care in our early years. Pam gave wide guidance and counsel to us and all our nurses and she was very active in ensuring we had high standards and facilities for the care of our patients.

Whilst still remaining as a Trustee and continuing to serve on the Clinical Governance sub-committee Dr. Eric Lockwood, another founder member and Vice Chairman and also for many years the medical advisor and officer of the Hospice (all on a voluntary and un-paid basis) decided to resign as Vice Chairman of the Board and he has been replaced in that office by David Brown who has been an enthusiastic Board member since June 2001 and brings commercial, I.T. and financial expertise to this role. We have been fortunate in finding three new Board members with skills in medical, N.H.S. matters, nursing care developments and charity and community awareness knowledge and we welcome Alistair McGeorge, Pamela Harling & Christiana Buchanan to the Board.

There have been several changes in staff in Day Care with Wendy Laycock, who was the first Nurse Manager (on a part-time contract) leaving to work as a Nurse Specialist in Lymphoedema across East Lancashire. This was a service which Wendy initiated and trained for whilst working at Pendleside and she continues to support our nurse who is currently taking training in this speciality for the benefit of our patients.

The clinical team has been enhanced by the arrival of Liz Hassey, a MacMillan Clinical Specialist Physiotherapist who is employed part-time by MacMillan Cancer Care who will fund this position and also that of another part-time Physiotherapist whom we are seeking to recruit. A review of Day Care services during the year led to the decision to develop more Day Therapy services for which there was a perceived demand at Pendleside. Two new complementary therapists are now being used along with our own trained staff nurse who has returned from maternity leave and a decision was taken to re-name the unit "Day Therapy Services" and to appoint a full time Day Therapy Leader who is coming into post in April. These appointments will enable appropriate therapies to be also available to inpatient and home care patients and are seen as an exciting and worth while development.

Developments of services can only be undertaken when there are funds available to meet the costs and it is here that the Board have to try to ensure that a sound balance is kept. It is very gratifying to report yet again that we have enjoyed wonderful financial support from the local community and that the current year has seen us receive very welcome legacies from a small number of local people.

Our small Fund Raising Department and volunteer groups have continued to work hard in encouraging and supporting a wide range of events. We have had sponsorship and support from local people and businesses. We have been Charity of the year for some large organisations and there has been an increasing number of people asking friends and families to donate moneys to celebrate special events in their lives, rather than buy gifts.

The annual Light up a Life appeal exceeded all expectations with over £58,000 being donated and in the region of 1600 people attending our two switch-on services which have been extended over two days. The shops and our Lottery continue to provide a substantial and regular part of our annual income and we have to thank the hundreds of people who volunteer and help to make these and all our fund-raising activities so successful.

The Inpatient and Hospice @ Home services are now well established and management are seeking to develop systems by which we can audit the care which is being provided and also encourage further training and development of skills for our dedicated and much valued staff.

HOSPICE CARE FOR BURNLEY AND PENDLE

THE DIRECTORS' REPORT (continued)

YEAR ENDED 31ST MARCH 2004

The Trustees have recently reviewed the Hospice reserves policy. Note has been taken of the significant fluctuations in income levels from sources such as government grants and legacies which must be viewed alongside the need to run an uninterrupted service and plan ahead. As a consequence the trustees have taken a decision to try and increase the level of reserves to that amount required to cover a full year of forecast expenditure. We do not expect to achieve this new target immediately although the level of reserves is continuing to increase as seen in the accounts presented.

Results

The trading results for the year, and the company's financial position at the end of the year, are shown in the attached financial statements.

Directors

The directors who served the company during the year were as follows:

Miss M B Jobling	
Mrs J Ashworth	(resigned 3rd November 2003)
Mrs P Baxter	(resigned 3rd November 2003)
Mrs M Cadman	
Mr J T Jones	
Dr E Lockwood	
Mr D A Smith	
Mrs B Snell	
Mr T Taylor	
Mr H Tuley	
Miss E Ramsbottom	
Mrs M Monckton	
Mr D Brown	
Mrs P M E Harling	(appointed 23rd June 2003)
Mr A McGeorge	(appointed 23rd June 2003)
Mrs C. Buchanan	(appointed 3rd November 2003)

Retirement of Directors

The following directors are to retire from the board in accordance with the Articles of Association and, being eligible, offer themselves for re-appointment:

Mr D Brown	Mr J T Jones
Mr D Smith	Dr E Lockwood
Mr H Tuley	Mr T Taylor

Risk review

The directors have introduced a risk management process to assess clinical and business risks and are implementing systems to mitigate these risks. Internal risks are minimised by the implementation of procedures for authorisation of all transactions and projects and to ensure consistent quality of delivery for all operational aspects of the charitable company. These procedures are periodically reviewed to ensure that they still meet the needs of the charity. In addition they have sought to clarify the responsibility of management to implement their policies to identify and evaluate risks for their consideration and ensure the implementation of procedures for reporting failings and detailing the corrective action being undertaken.

HOSPICE CARE FOR BURNLEY AND PENDLE

THE DIRECTORS' REPORT (continued)

YEAR ENDED 31ST MARCH 2004

Fixed assets

In the opinion of the directors there is no significant difference between the market value and the book value of the company's interest in land and buildings.

Liability of members

The liability of each member by way of their guarantee to the company is to contribute a sum not exceeding one pound to the assets of the company if so required on the winding up of the company.

Reserves policy

Accumulated Unrestricted Income Funds, represented by liquid assets and investments, will initially be held in reserve to provide funds for:

1. Proposed capital expenditure over the ensuing twelve months in respect of continuing activities.
2. Operating expenses covering a period of 12 months as forecast in the operating budget. This reserve is intended to ensure continuity of the Hospice services against a background of significant fluctuation in incomes from legacies, fundraising activities and Government grants.
3. Thereafter, as and when any surplus funds accumulate, they will be held in reserve to form the financial basis for further development and extension of services for the benefit of the terminally ill in the area.

Unrestricted reserves held at the year-end amount to £1,281,536.

Compliance statement

The financial statements comply with current statutory requirements and with the requirements of the charity's memorandum and articles of association.

Voluntary help

The financial statements exclude costs for voluntary help which cannot be quantified.

Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company at the end of the year and of the surplus or deficiency for the year then ended.

In preparing those financial statements, the directors are required to select suitable accounting policies, as described on pages 11 to 12 and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The directors must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

HOSPICE CARE FOR BURNLEY AND PENDLE

THE DIRECTORS' REPORT (continued)

YEAR ENDED 31ST MARCH 2004

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Investment policy and returns

Under the memorandum and articles of association, the charity has the power to make any investment which the directors see fit. The directors have considered the most appropriate policy for investing funds and have found that a varied portfolio of stocks, shares, unit trusts and deposit accounts meet their requirements to generate both income and capital growth. The directors consider the return on investments to be satisfactory.

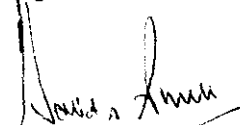
Auditors

A resolution to re-appoint P M & M as auditors for the ensuing year will be proposed at the annual general meeting in accordance with section 385 of the Companies Act 1985.

Registered office:

Pendleside
Colne Road
Reedley
Burnley
Lancashire

Signed on behalf of the directors



D A Smith
Director

Approved by the directors on 8th October 2004

HOSPICE CARE FOR BURNLEY AND PENDLE
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS
YEAR ENDED 31ST MARCH 2004

We have audited the financial statements on pages 8 to 20 of *Hospice Care for Burnley and Pendle* for the year ended 31st March 2004. These financial statements have been prepared under the historical cost convention and the accounting policies set out on pages 11 and 12.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors responsibilities for preparing the Directors Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards are set out in the Statement of Directors' Responsibilities.

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

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Directors' Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

HOSPICE CARE FOR BURNLEY AND PENDLE
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS (continued)
YEAR ENDED 31ST MARCH 2004

Opinion

In our opinion the financial statements give a true and fair view of the state of the charity's affairs as at 31st March 2004 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

P M & M

P M & M
Chartered Accountants
and Registered Auditors
83 Bank Parade
Burnley

8th October 2004

HOSPICE CARE FOR BURNLEY AND PENDLE

STATEMENT OF FINANCIAL ACTIVITIES

YEAR ENDED 31ST MARCH 2004

	Note	Unrestricted £	2004 Restricted £	Total £	2003 Total £
Incoming resources					
Subscriptions, donations and gifts		391,960	-	391,960	329,637
Legacies received		237,427	-	237,427	87,911
Investment income and interest	2	34,168	-	34,168	32,531
Activities in furtherance of the charities objectives	3	462,858	73,832	536,690	338,349
Other income	4	2,117	-	2,117	17,017
Activities to generate funds	5	689,746	-	689,746	666,278
Total Incoming Resources		<u>1,818,276</u>	<u>73,832</u>	<u>1,892,108</u>	<u>1,471,723</u>
Resources expended					
Charitable expenditure – Charitable objectives:					
Pendleside Hospice – operating expenditure					
	6	917,122	-	917,122	812,931
Home care support	7	110,096	73,832	183,928	198,161
Transport	8	38,798	-	38,798	42,260
Costs of generating funds	9	319,651	-	319,651	271,910
Management and administration of the charity	10	38,699	-	38,699	29,417
		<u>1,424,366</u>	<u>73,832</u>	<u>1,498,198</u>	<u>1,354,679</u>
Net incoming resources for the year		393,910	-	393,910	117,044
Unrealised deficit on investments		(2,468)	-	(2,468)	(4,010)
Realised gains/(deficit) on investments		575	-	575	(4,031)
Net movement in funds		<u>392,017</u>	<u>-</u>	<u>392,017</u>	<u>109,003</u>
Balance brought forward		<u>2,022,184</u>	<u>20,000</u>	<u>2,042,184</u>	<u>1,933,181</u>
Balance carried forward		<u><u>2,414,201</u></u>	<u><u>20,000</u></u>	<u><u>2,434,201</u></u>	<u><u>2,042,184</u></u>

The company has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the company are classed as continuing.

HOSPICE CARE FOR BURNLEY AND PENDLE
SUMMARY INCOME AND EXPENDITURE ACCOUNT
YEAR ENDED 31ST MARCH 2004

	2004 £	2003 £
Gross income of continuing operations	1,857,940	1,439,192
Total expenditure of continued operations	(1,498,198)	(1,354,679)
Net surplus for the year before investments	359,742	84,513
Investment income	34,168	32,531
Other recognised gains and losses	(1,893)	(8,041)
Operating surplus for the year	392,017	109,003

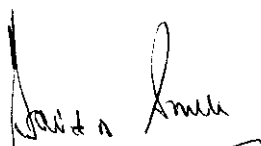
HOSPICE CARE FOR BURNLEY AND PENDLE

BALANCE SHEET

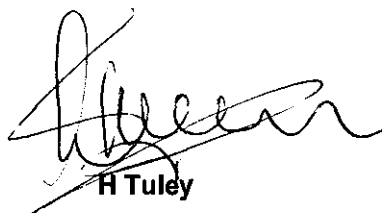
31ST MARCH 2004

	Note	2004 £	2003 £
Fixed assets			
Tangible assets	13	1,132,665	1,178,817
Investments	14	1,217,913	742,809
		<u>2,350,578</u>	<u>1,921,626</u>
Current assets			
Debtors	15	62,079	27,830
Cash at bank		90,765	157,835
		<u>152,844</u>	<u>185,665</u>
Creditors: amounts falling due within one year	16	(69,221)	(65,107)
Net current assets		<u>83,623</u>	<u>120,558</u>
Total assets less current liabilities		<u>2,434,201</u>	<u>2,042,184</u>
Funds			
Restricted		20,000	20,000
Designated funds	18	1,132,665	1,178,817
Income and expenditure account		1,281,536	843,367
		<u>2,434,201</u>	<u>2,042,184</u>

These financial statements were approved by the directors on the 8th October 2004 and are signed on their behalf by:



D A Smith



H Tuley

HOSPICE CARE FOR BURNLEY AND PENDLE
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31ST MARCH 2004

1. Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified by the valuation of investments at market value, and in accordance with applicable accounting standards and the Statement of Recommended Practice on Accounting by Charities 2000.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No. 1 from including a cash flow statement in the financial statements on the grounds that the company is small.

Legacies and donated assets

These are credited to the general fund only to the extent that monies or assets have been received.

Gifts in kind

These are credited to the general fund at a reasonable estimate of the value to the charity.

Depreciation

During the year the directors have reviewed and revised their depreciation rates. The current rates are as set out below:

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

Land	-	Nil
Buildings	-	2% per annum
Fixtures, fittings and equipment	-	20% per annum
Computer equipment	-	25% per annum
Motor vehicles	-	25% per annum

Fixed assets

Individual fixed assets costing £500 or more are capitalised at cost.

Operating lease agreements

Rental applicable to operating leases where substantially all the benefits and risks of ownership remain with the lessor are reflected in the Statement of Financial Activities as incurred.

Pension costs

The company makes contributions on behalf of employees into various pension schemes. These are included in expenditure when paid.

HOSPICE CARE FOR BURNLEY AND PENDLE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

Investments

Fixed asset investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Incoming resources

Voluntary income and donations are included in incoming resources when they are receivable, except when the donors specify that they must be used in future accounting periods or donors conditions have not been fulfilled, then the income is deferred. The income from fundraising ventures is shown gross, with the associated costs included in fundraising costs.

Resources expended

Resources expended are included in the Statement of Financial Activities on an accrued basis. Irrecoverable VAT is shown as an expense.

Expenditure which is directly attributable to specific activities has been included in these cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources.

Costs of generating funds

Costs of generating funds comprises costs incurred in inducing people and organisations to contribute financially to the charity's work. This includes salary costs, costs of running and renting shop premises and the staging of special fundraising events.

Expenditure on management and administration of the charity

Administration expenditure includes all expenditure not directly related to the charitable activity or fundraising ventures. This includes a proportion of administrative salaries, legal and professional fees and audit fees.

Grants received

Grants are credited to the statement of financial activities only to the extent that monies or assets have been received.

Unrestricted funds

Unrestricted funds are income and expenditure relating to the core activities of the charity.

Restricted funds

Restricted funds are income and expenditure for which specific funding has been given in the year.

HOSPICE CARE FOR BURNLEY AND PENDLE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

2.	Investment income and interest	2004 £	2003 £
	Dividends received	11,948	13,126
	Bank and building society interest	22,220	19,405
		<u>34,168</u>	<u>32,531</u>
		=====	=====
3.	Activities in furtherance of the charities objectives		
	Grants received:		
	Burnley, Pendle and Rossendale PCT	257,032	248,340
	Hyndburn and Ribble Valley PCT	205,826	-
	Sundry grants	-	16,853
	New Opportunities Fund	73,832	73,156
		<u>536,690</u>	<u>338,349</u>
		=====	=====
4.	Other income		
	Room hire and other income	2,117	3,804
	VAT refunds	-	13,213
		<u>2,117</u>	<u>17,017</u>
		=====	=====
5.	Activities to generate funds		
	Charity shop sales	293,162	286,833
	Receipts from fundraising events	100,388	86,774
	Hospice lottery	296,196	292,671
		<u>689,746</u>	<u>666,278</u>
		=====	=====

HOSPICE CARE FOR BURNLEY AND PENDLE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

6. Pendleside Hospice – operating expenditure

	2004		2003	
	£	£	£	£
Nursing				
Salary costs	442,039		413,103	
Chaplain	3,750		3,626	
Medical officer	77,109		46,392	
	<u> </u>	522,898	<u> </u>	463,121
Accommodation				
Water	2,067		2,106	
Gas and electricity	12,280		13,526	
Repairs, renewals and maintenance	10,359		32,060	
	<u> </u>	24,706	<u> </u>	47,692
Administration				
Salary costs	99,921		89,523	
Telephone	6,319		5,043	
Insurance	10,927		9,854	
Stationery, postage and sundries	7,979		8,475	
Registration fees	2,669		176	
Incidental expenses	8,711		4,331	
Financial services	10,087		7,306	
Computer and equipment maintenance	21,421		2,713	
Irrecoverable VAT	8,336		-	
	<u> </u>	176,370	<u> </u>	127,421
Staff				
Recruitment	6,544		6,454	
Travelling expenses	2,055		1,024	
Training	4,099		9,077	
Uniforms, etc	3,378		3,631	
	<u> </u>	16,076	<u> </u>	20,186
Medical costs		10,888		11,581
Household				
Salary costs	17,515		17,403	
Cleaning materials, etc	2,872		631	
Contract services	4,168		4,022	
	<u> </u>	24,555	<u> </u>	22,056
Catering costs and salaries		82,697		81,802
Depreciation				
Freehold buildings	23,268		22,091	
Furniture, furnishings and equipment	17,438		16,981	
Depreciation and costs on reclassification	18,226		-	
	<u> </u>	58,932	<u> </u>	39,072
		<u>917,122</u>		<u>812,931</u>
		=====		=====

HOSPICE CARE FOR BURNLEY AND PENDLE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

	2004 £	2003 £
7. Hospice at Home		
Salary costs	175,433	190,271
Staff travel expenses	7,506	7,567
Other expenses	989	293
	<u>183,928</u>	<u>198,161</u>
8. Transport		
Salary costs	30,735	29,212
Vehicle expenses	3,833	3,129
Depreciation	10,293	10,819
Reclassification depreciation	(6,063)	-
Profit on disposal	-	(900)
	<u>38,798</u>	<u>42,260</u>
9. Costs of generating funds		
General fundraising		
Salary costs	58,821	42,416
Publicity, brochures, etc	4,591	4,396
Events expenditure	18,326	15,524
Christmas cards	11,778	8,621
	<u>93,516</u>	<u>70,957</u>
Charity shops		
Operating lease rentals	43,899	46,083
Rates	2,814	3,369
Electricity, water and telephone	7,621	7,197
Repairs and maintenance	16,608	7,277
Insurance	900	806
Incidental expenses etc	6,678	6,645
Motor and travel expenses	2,069	1,312
	<u>80,589</u>	<u>72,689</u>

HOSPICE CARE FOR BURNLEY AND PENDLE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

9.	Costs of generating funds (continued)	2004 £	2003 £
	Hospice lottery		
	Bureau costs	2,809	1,634
	Salary costs	38,383	31,327
	Prize money and commission	87,492	84,000
	Marketing	2,928	1,832
	Incidental expenses	960	469
	Travelling expenses	1,860	2,085
	Printing and postage	6,314	5,117
	Computer costs	3,000	-
	Audit	1,800	1,800
		<u>145,546</u>	<u>128,264</u>
	Total	<u>319,651</u>	<u>271,910</u>
10.	Administration expenses		
	Salary costs	11,102	9,947
	Audit	2,500	2,468
	Insurance	4,000	3,285
	Financial services	10,087	7,305
	Office sundries, postage, etc	3,157	2,841
	Bank charges	3,450	3,571
	Legal and professional fees	4,403	-
		<u>38,699</u>	<u>29,417</u>

HOSPICE CARE FOR BURNLEY AND PENDLE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

11. Particulars of employees

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

	2004 No	2003 No
Number of nursing staff – inpatient and ad hoc	42	34
- day therapy	4	7
- hospice at home	12	16
- chaplain and medical officers	5	4
Number of catering staff	2	-
Number of lottery staff	3	2
Number of administration staff and general managers	5	5
Number of ancillary	5	5
Number of fundraising staff	3	3
	<u>81</u>	<u>76</u>

The aggregate payroll costs of the above were:

	2004 £	2003 £
Wages and salaries	888,074	787,814
Social security costs	57,416	47,208
Other pension costs	30,810	38,198
	<u>976,300</u>	<u>873,220</u>

The directors received no expenses during the year (2003 – nil)

No employee received remuneration of more than £50,000.

12. Operating surplus

Operating surplus is stated after charging:

Directors' emoluments	-	-
Depreciation	60,117	49,891
Auditors remuneration	<u>4,950</u>	<u>4,268</u>

HOSPICE CARE FOR BURNLEY AND PENDLE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

13. Tangible fixed assets	Freehold land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost				
At 1st April 2003	1,254,534	270,180	68,722	1,593,436
Additions	-	17,010	-	17,010
Reclassification	(16,892)	13,847	-	(3,045)
At 31st March 2004	1,237,642	301,037	68,722	1,607,401
Depreciation				
At 1st April 2003	128,690	234,848	51,081	414,619
Charge for the year	23,268	17,438	10,293	50,999
Reclassification	6,204	8,977	(6,063)	9,118
At 31st March 2004	158,162	261,263	55,311	474,736
Net book value				
At 31st March 2004	1,079,480	39,774	13,411	1,132,665
At 31st March 2003	1,125,844	35,332	17,641	1,178,817

The net book value of freehold land and buildings comprises:

	2004 £	2003 £
Land	150,000	150,000
Buildings	929,480	975,844
	1,079,480	1,125,844

Non depreciable assets included in freehold land and buildings amounted to £150,000 (2003 - £150,000).

All tangible fixed assets are held for charitable purposes:

Capital commitments	2004 £	2003 £
Contracted but not provided for in the accounts	-	-

HOSPICE CARE FOR BURNLEY AND PENDLE

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2004

14. Fixed asset investments	Bank and building society balances £	Quoted investments £	Total £
Market value			
At 1st April 2003	499,605	243,204	742,809
Additions	226,997	272,043	499,040
Disposals	-	(21,468)	(21,468)
Revaluation of investments	-	(2,468)	(2,468)
At 31st March 2004	<u>726,602</u>	<u>491,311</u>	<u>1,217,913</u>
Historical cost			
At 31st March 2004	<u>726,602</u>	<u>511,020</u>	<u>1,237,622</u>
At 31st March 2003	<u>499,605</u>	<u>263,270</u>	<u>762,875</u>

All quoted investments are listed on the UK Stock Exchange.

Of the £726,602 bank and building society balances, £130,343 relates to amounts invested with Marsden Building Society £10,000 relates to amounts invested with Skipton Building Society and £586,259 relates to amounts invested with Cafcash Limited.

15. Debtors	2004 £	2003 £
VAT recoverable	20,461	3,847
Prepayments and accrued income	41,618	23,983
	<u>62,079</u>	<u>27,830</u>
16. Creditors: amounts falling due within one year		
Accruals and deferred income	<u>69,221</u>	<u>65,107</u>

17. Commitments under operating leases

At 31st March 2004 the company had annual commitments under non-cancellable operating leases as set out below.

	Land & Buildings 2004 £	2003 £
Operating leases which expire:		
Within 1 year	-	-
Within 2 to 5 years	17,500	14,650
After more than 5 years	15,750	11,500
	<u>33,250</u>	<u>26,150</u>