



ST CLARE WEST ESSEX HOSPICE CARE TRUST

Annual Report and Financial Statements 2013



Registered Charity No. 1063631

Registered Company No. 3398955

Annual Report and Financial Statements 2013

Contents

Reference and Administrative Information about the Charity, its Trustees, Management and Advisors	2
Trustees' Report	4
Organisation, Governance and Management	
Aims, Objectives and Activities	
Volunteers and Community Support	
Achievements and Performance	
Financial Review	
Future Plans	
Statement of Trustees' Responsibilities	
Independent Auditors' Report	18
Group Statement of Financial Activities	20
Group and Charity Balance Sheets	21
Group Cash Flow Statement	22
Notes Forming Part of the Financial Statements	23

St Clare West Essex Hospice Care Trust

Reference and Administrative Information about the Charity, its Trustees, Management and Advisors

Patrons

Lord Braybrooke
Lady Braybrooke
Mrs Eleanor Laing MP
Lady Murray
Mr Ian Paterson
Lord Petre
Mr Bill Rammell

Vice Patrons

Mrs Jo Brennan
Dr John Hill
Mr Gary Neill
Mr Tom Sweetman (*deceased 02/04/2013*)
Mr Bob Weston
Mr John Wickens
Mrs Paula Winter

Trustees (and Directors as defined by the Companies Act 2006)

Mr Michael Chapman DL	Chairman
Mr John Frazer	Vice Chairman
Mr Phil Quincey	Vice Chairman
Mrs Judy Davidson	<i>Retired* 11/10/2012</i>
Mr Patrick Foster FCIOB	
Mrs Debbie Bodhanya BSc (Hons) RGN MBA PgCEmeded	
Ms Julie Kendall BA (Hons) MBA	<i>Resigned 25/04/2013</i>
Mr Brian Moore	
Mr David Thomson BAcc CA	
Dr Ronald Morgan MB ChB FRCP Dip Pall Med	<i>Appointed 21/05/2012</i>
Mr David Dunkley	<i>Appointed 20/05/2013</i>
Mrs Jennifer Minihane BSc (Hons) RGN	<i>Appointed 20/05/2013</i>
Mr Andy Skelton	<i>Appointed 20/05/2013</i>

**Retired at AGM under Article 30(3) having served nine consecutive years*

Company Secretary

Mr Phil Quincey

Registered Office & Principal Office

St Clare Hospice Centre, Hastingwood Road, Hastingwood, Essex CM17 9JX

St Clare West Essex Hospice Care Trust

Directors Team

Chief Executive

Ms Tanya Curry BSc (Hons) RGN DipHE MBA

Medical Director

Dr Giovambattista Zeppetella BSc (Hons) MBBS MD(Res) FRCGP FRCP

Director of Finance and Resources

Mr Riyad Islam BA (Hons) ACMA CGMA DChA

Director of Fundraising and Marketing

Mrs Elizabeth Palfreman BA (Hons) MInstF (Cert)

Director of Patient Care

Ms Louise Cameron BSc (Hons) RN DipHE (Nursing)

Appointed 05/11/2012

Advisors

Bankers

Barclays Bank plc, 14 The Water Gardens, Harlow, Essex, CM20 1AN

HSBC plc, 7B The Water Gardens, South Gate, Harlow, Essex, CM20 1AB

Auditors

Kingston Smith LLP, Devonshire House, 60 Goswell Road, London, EC1M 7AD

Solicitors

Whiskers LLP, 6 Mitre Buildings, Kitson Way, Harlow, Essex, CM20 1DR

Insurers

Towergate MIA, Kings Court, London Road, Stevenage, Hertfordshire, SG1 2GA

Employment Law Advisors

Peninsula Business Services, 2 Cheetham Hill Road, Manchester, M4 4FB

Trustees' Report

During the course of this year, St Clare has really started to gather momentum and pace in developing services for people living in West Essex and East Hertfordshire. The growth of the Hospice is wonderful to see, with the implementation of our five year strategy, developed throughout this year with the input of our Trustees, Directors, staff, external stakeholders and supported by our user involvement forum.

Supporting families during a most critical time of their life will always be St Clare's focus, ensuring excellent patient experience and providing a choice for patients of where they wish to be cared for – be it here at the Hospice or in their own homes. A key step this year was formally adopting the Community Specialist Palliative Care nurses, providing high quality care under the St Clare Hospice banner.

The past year has been about ensuring our foundations are sound and consolidating our senior management team. The organisation has continued to build on its governance structures and quality this year, which is demonstrated through every aspect of Hospice life. The Trustees wish to ensure that the Hospice operates in a safe and professional manner in all areas of its operation, holding a valuable and much respected standing in the local community.

St Clare has fostered a culture of continual learning and improvement of services, actively seeking feedback from all people using the services as well as from volunteers and partners in the local community. This enables the information to be used positively to learn, develop and improve the quality of all that St Clare does.

Despite the many challenges throughout the year the Hospice has never lost sight of the fact that the only reason for its existence is to provide specialist palliative care for the local population and to support, not only the patients but also their relatives and friends.

Organisation, Governance and Management

Constitution and Registration

St Clare West Essex Hospice Care Trust is registered under the Companies Act 2006 (Registered No 3398955) as a company limited by guarantee and not having a share capital. The Company is registered as a charity under the Charities Act 2011 (Registered No 1063631) and operates under the simple title "St Clare Hospice".

The Company's Articles of Association define the Company as "the Charity", and the Directors of the Company as "the Trustees". To avoid confusion, the Directors of the Company are referred to as Trustees throughout this document.

Governance of St Clare

Trustees are appointed by the Trust Board following interview by, and a recommendation from, a Committee of Trustees, usually including the Chairman, a Vice Chairman and one other. Such appointments are ratified at the following Annual General Meeting. Trustees are required to undergo training and appraisal in the same way as executive staff. The Board advertises for new Trustees against a defined skills set.

St Clare West Essex Hospice Care Trust

The Trustees maintain a register of their interests consisting of an annual declaration by each Trustee of his or her interests and confirmation that he or she is not debarred from acting as a trustee under section 178 of the Charities Act 2011. The Company Secretary holds the Register, any changes in a Trustee's interests between declarations are notified to the Company Secretary. The Register is made available to the Board, when required, so that the Board is in a position to make judgements on potential conflicts of interest. Trustees are required at the start of every Trustee meeting, to declare their actual or potential interest in any item on the agenda for that meeting.

The Trustees have implemented a structure of governance committees including Clinical, Finance, Income Generation, Buildings, Audit and HR, each chaired by a Trustee with appropriate skills and experience in the committee's area of responsibility. Each committee includes and is supported by the appropriate member of the Executive Team. To these committees, the Board delegates much of the governance and performance monitoring which it previously carried out, leaving it free to consider matters of a more strategic nature.

The Hospice provides trustee indemnity insurance for all Trustees.

Management of St Clare Hospice

The Trustees are non-executive and take no part in the day-to-day management of the Hospice. Although the Trustees have delegated day-to-day management of St Clare to a professional management team led by the Chief Executive Officer, who is not a Trustee, they remain ultimately responsible for the activities of St Clare. The Chief Executive Officer and Directors manage St Clare in accordance with regularly reviewed policies agreed with the Trustees. The Trustees monitor the proper discharge of their responsibilities through the structure of the governance committees and quarterly Board meetings, at which the Chief Executive Officer and Directors are invited, to report on clinical, financial and general management issues.

Strong internal controls are in place to ensure that St Clare's income and expenditure are tightly monitored and controlled, and that its assets are secure. Annual budgets are prepared by the Directors Team for approval by the Trustees, who monitor progress against such approved budgets.

The Directors meet weekly to discuss the day-to-day management of services, budgetary performance and to explore improvements and new opportunities. The management team meet quarterly to share operational information and discuss strategic service developments and improvements. The Chairman and Vice Chairmen of the Board of Trustees attend a Directors' meeting every quarter, between Board meetings.

Corporate Structure

The Trust has one wholly owned subsidiary, St Clare Hospice Trading Company, which operates seven charity shops and a lottery. St Clare Hospice Trading Company has a separately constituted Board of Directors, which reports to the Board of Trustees.

Risk Management

The Risk Management Group, which meets quarterly under the chairmanship of the Facilities Manager, monitors, records and manages risk on an operational basis. The Risk Management Group reports in to the Audit Committee. All areas of risk are

St Clare West Essex Hospice Care Trust

monitored by the relevant Director and ultimately the Chief Executive Officer Insurance cover for insurable risks is co-ordinated by the Director of Finance and Resources, and reported quarterly to the Risk Management Group In short, risks are identified through the management structures and mitigated, managed and/or insured as appropriate

The following general principles are applied in addressing St Clare's exposure to any identified risks

- All professional and other Codes of Practice applying to St Clare's activities must be observed at all times
- All statutory requirements must be complied with at all times
- All manufacturers' operational advice, instructions and servicing requirements must be assiduously observed
- Appropriate records of compliance with the above requirements must be maintained
- Insurance cover is taken out where appropriate
- Suitable review procedures including records of incidents (and their subsequent resolution) must be in place to ensure that risks are, and continue to be, properly identified and managed
- Implementation and compliance with a full range of internal policies and procedures

The Risk Management Group has responsibility for the ongoing identification, monitoring and management of risk within their respective spheres of interest Where risks are so remote that it is impracticable, uneconomic or impossible to eliminate or avoid them (e.g. acts of war, force majeure, 'plane crash etc) they are accepted

The principal risks facing the Charity have been identified as

- Fall in voluntary income – in the current economic climate, the ability to raise voluntary funds is becoming increasingly challenging
- NHS Statutory funding – this source of income equates to 30% of expenditure in 2012/13 Service Level Agreements have been signed with NHS West Essex and NHS Hertfordshire up to March 2014 There have been major national changes regarding clinical commissioning practices over the past year It is anticipated these changes will continue to evolve
- Hospice Premises – The existing building remains challenging in certain areas There is a risk that clinical development could be stifled Projects are underway to review various aspects of the building

Aims, Objectives and Activities

The Company's Memorandum of Association lays down its Objects as 'To meet the physical, psychological, social and spiritual needs of those with advanced and progressive life limiting illness and of their carers, primarily but not necessarily in the western part of the county of Essex, through the provision of specialist palliative care services based on need as far as resources allow'

It is the Trustees' principal aim that St Clare provides a Hospice which is a centre of excellence in the delivery of specialist palliative care and support by such charitable means as the Trustees see fit Within this principal aim, the Trustees have specific aims, which are to provide

St Clare West Essex Hospice Care Trust

- Continuity of care in the management of physical and non-physical symptoms of advanced disease with the purpose of maintaining optimal quality of life for the patient
- Appropriate and accessible support to patients enabling them to remain in their own homes for as long as both desirable and possible
- A sensitive response to ethnic, cultural and spiritual wishes, which recognises and cares for the individual needs of patients, their families and carers
- Assistance to the patient and family to retain their independence for as long as possible by providing easy access to information that will enable them to make choices about the form of help and support they wish to receive
- Skilled counselling and support to the bereaved
- Continuing education and training of staff and volunteers

All objectives, strategies and activities are constantly monitored and reviewed. A significant project was undertaken during the year which commenced with reviewing the mission, vision and values of the Hospice, and resulted with the creation of an exciting five year strategy. The work was led by the Chief Executive Officer and involved the entire Hospice team, external stakeholders and the Hospice User Involvement Forum. The Directors and Management Team are responsible for the delivery of activities and services in line with the Hospice strategy and overarching mission statement.

Public Benefit

In reviewing the objectives and the activities for the year, the Trustees have satisfied themselves that both the objectives of the Charity and those activities that have been chosen continue to reflect the aims of the Charity. In carrying out their review the Trustees have considered the Charity Commission's general guidance on public benefit and its supplementary guidance on the advancement of health, especially as it relates to the relief of sickness, human suffering and palliative care.

The Trustees confirm that they comply with their duty under section 17 of the Charities Act 2011, to have due regard to the guidance in public benefit published by the Charity Commission.

The Charity is an important professional organisation that is proud of its local associations. It receives the bulk of its funding from local individuals and organisations (including local NHS commissioning groups). For this reason the beneficiaries tend to be predominantly, though not exclusively, from a catchment area covering West Essex and the borders of East Herts.

The Hospice provides a range of services to patients and families in the local community. These include Inpatient, Day Therapy, Community, Outpatients, Chaplaincy, and Bereavement services. It is intended that the Charity should maximise the benefit that it provides to the local community given the restraints of size and funds.

Volunteers and Community Support

It would be impossible for St Clare to function without the dedication and support of over 520 volunteers who operate alongside staff in a complementary way engaging in all aspects of the Hospice's work. Volunteering at St Clare Hospice can be an enriching and empowering experience. Not only does it provide people with an opportunity to do

St Clare West Essex Hospice Care Trust

something that benefits others, it also brings with it a sense of worth and personal fulfilment

Importantly, volunteers give their time freely and without compulsion, It is this that enables the Hospice to become more innovative, effective and efficient in its provision of care within the community, without the additional financial burden. Volunteer roles are very varied and examples include

- Driving patients to and from the Hospice for Day Therapy
- Serving meals and refreshments
- Offering specialist skills such as hairdressing and complementary therapies
- Bereavement support
- Decorating and gardening
- Helping at fundraising events
- Serving customers or helping to sort and price items in the Hospice shops

The above is merely an overview of the volunteers at St Clare. In addition to the volunteers who work in and around the Hospice and its shops, there are those who work relentlessly in the community, some individually, others in Friends Groups, continuing to make a valuable contribution.

The Annual Volunteers Thank You Event was held during National Volunteers' Week in June 2012, where once again the Hospice celebrated the significant contribution volunteers make throughout the year. Long service awards were presented to those who had been volunteering for five, ten, fifteen and twenty years, to recognise their wonderful achievements and loyalty to St Clare.

Achievements and Performance

As an organisation, St Clare Hospice is continually striving to ensure the provision of quality driven and individualised services to the local community. Quality is at the forefront of every aspect of our operational and strategic work.

During the year the team reviewed and revised the Hospice mission, vision and values ensuring that people with life limiting illnesses have timely access to skilled compassionate and sensitive care. The Hospice renewed its commitment in supporting patients and their families to maintain dignity and quality of life by providing exceptional care in a place of their choice.

St Clare values were created out of a holistic team approach and are fundamental to the delivery of specialist palliative care, underpinning every aspect of our work and service delivery.

- **Care:** We treat patients and families the way we want to be treated – with kindness, compassion and respect
- **Teamwork:** We value the unique contribution that all our staff and volunteers make in the delivery of excellent care for our local community
- **Quality:** We are passionate in our pursuit of excellence and dedicate ourselves to achieving the highest standard in all aspects of our work
- **Integrity:** We are honest and ethical in everything we do and accept the responsibility for the trust placed in us

St Clare West Essex Hospice Care Trust

Staff and volunteers have been building upon the solid foundations over the past year and have an approach that is forward thinking, responsive and flexible to the ever changing national and local health care landscape, and most importantly meets the needs of patients and families. As an organisation, it is recognised that in order to deliver the best quality services, the Hospice needs to be working collaboratively with others, sharing knowledge, experience and resources, for the benefit of local people. Relationships with NHS commissioners have grown, as has the Hospice's standing in the local community as the lead provider of Specialist Palliative Care for West Essex. Over the past year team members have worked tirelessly to ensure that clinical contracts and methods of data collection are robust. As an organisation, it is vital that excellent services, which are quality driven yet efficient and effective, are delivered. This work has involved all service areas, clinical and non-clinical to ensure documentation, analysis and robust data is in place to support operational work and strategic development.

The Inpatient unit has remained stable during the year in terms of clinical activity and bed occupancy, there has been a rise in the number of non cancer patients being cared for within the inpatient unit setting. The team has also been given a wide range of support and clinical training, to ensure that staff remain skilled, supported and challenged to deliver excellent care to the patients and families who use the Inpatient service.

Day Therapy and Outpatients services have seen a rise in clinical activity, coupled with an increase in the non cancer aspect of our work in both of these service areas. The teams have developed a wide range of time limited interventions and groups to support patients, families and carers, ensuring we are delivering individualised care to support, develop and enable patients with a life limiting illness. One of the areas of improvement led by our Physiotherapist was the development of the Breathlessness Intervention Clinic. The results were measured closely using the Cancer Dyspnoea Scale, before and after intervention, and demonstrated a positive improvement in the patient's quality of life.

The work with non cancer patients is continuing to develop across the whole clinical service. The Hospice recognises it is vital for our service to be supportive of patients with a wide range of conditions not only those with a cancer diagnosis. Day Therapy and Outpatient services are the main drivers for this work, however there are developments taking place in the community, with the team attending and providing valuable input into the Gold Standards Framework meetings at GP practices. It is important to recognise the sharing of information and learning that ensues at these sessions which has a positive impact on patient and family care.

The Chaplaincy service has further developed during the last year and the Hospice Chaplain continually reviews their role to ensure that the service offered is multi-faith and available to the whole organisation, patients, families, staff and volunteers. The Hospice Chaplain is continually developing their community links and has given a number of presentations at schools, churches and other community events. The memorial services held at the Hospice have proved very successful and feedback has provided evidence that the services are meeting a real need among bereaved families. Due to the uptake of this valuable service the number of memorial services offered during the year has been increased.

The Bereavement service continues to grow and develop, supporting more families during the course of the year. The service is responsive to people's needs, individualised in the care provided, and receives positive feedback from those using the service. Following a review in February 2013 it was identified that the reach and

St Clare West Essex Hospice Care Trust

availability of the service needs to be explored, looking at how we meet the pre bereavement needs of patients and families at St Clare

The Community service is going from strength to strength. Having the team of specialist nurses working alongside the Inpatient, Outpatient and Day Therapy services has been beneficial for patients, families and professionals alike. It is clear the addition of the Community Team has truly enhanced the service provision offered from St Clare.

With direct management and following formal adoption of the specialist nurses the Hospice has been able to influence and shape working patterns whilst acknowledging and being responsive to changes in the local health care economy and landscape. A pilot project looking at 7 day working of the Specialist Palliative Care Nurses commenced in May 2012. This really highlighted a need for the service to operate over 7 days per week, supporting people at home through a crisis and also helping to prevent any unnecessary admissions to hospital. In addition to this, the team began exploring ways to ensure improved co-ordination of community services takes place, ensuring effective and timely use of our resources to further enhance patient care. The Hospice has worked closely with the Clinical Commissioning Group and other providers to scope ideas for service development. Equally through the Medical Director and Community Team attending the Gold Standard Framework meetings, which are held in each GP practice, our clinical team have really started to help shape patient care. These meetings enable advanced planning of the patients care, improved co-ordination of services and an opportunity to work collaboratively with wider community health and social care colleagues, all for the benefit of patients and families.

Collaborative working with the hospital, community and the voluntary sector colleagues has been a great area of success. This has allowed further development of services, streamlined working processes and enhanced clinical knowledge, expertise and relationships for the benefit of patients and families. All clinical areas have strong links with many local colleagues and providers allowing patients and families to be signposted to other areas of support and care as appropriate, or supported and cared for in a much more robust way. The enhancement and development of the clinical team has been clear to see with improved efficiency and effectiveness across all service areas. The involvement forum and service user feedback is excellent. Feedback continually praises service delivery, yet gives constructive ideas of service development, a true partnership approach to the Hospice's future development.

Staff and volunteers have a wide range of opportunities for training and development and there is an open culture of ensuring knowledge and skills gained from courses, events and seminars are shared within the organisation. The clinical team run a successful education programme and are regularly asked to speak at external events and conferences. A number of the clinicians have had papers presented at national and international conferences and in professional journals. The management team have continued with training courses in HR and employment law. Many staff have also successfully completed degree and masters level studies.

Staff support remains a crucial aspect of the Hospice ethos. Clinical supervision is available to provide support, learning and growth for individuals and teams alike, providing a positive benefit for patient care and service delivery. The Hospice also implemented a robust internal communications plan during the year to ensure staff and volunteers are regularly updated regarding service development and operational plans. At the quarterly breakfast meetings staff have an opportunity to meet, support each other and ask questions whilst at the same time enjoying and taking part in a range of presentation topics focused around our service delivery and development.

St Clare West Essex Hospice Care Trust

All staff have support from their line managers, with management meetings now established quarterly operating as an information exchange, decision making and support forum. During the year, the HR policies and procedures of the Hospice were developed and enhanced, resulting at the end of the year in an updated staff handbook.

It has been inspiring to see the growth and development of St Clare Hospice services over the past 12 months. How clinical and non-clinical teams have risen to the many challenges they have met along the way. It is wonderful to see that every member of staff recognises the important part they play in delivering patient care.

The year ended with the launch of St Clare Hospice's vision, mission, values and five year strategy. Following two years of incredibly hard work, the team have co-ordinated every aspect of Hospice work, centered it around the patients and families in our care and presented our future vision.

Financial Review

The outcome for the year was surplus of £227k. This successful financial result was mainly due to maintaining levels of key income areas in the year, in addition to the ongoing focus on controlling and managing expenditure across all areas of the Hospice.

The Hospice continued to expand and improve patient services, which led to an increase in patient care expenditure in 2012/13. The cost of generating funds increased slightly, this was principally due to investment in retail operations.

NHS income represented 30% of expenditure in 2012/13, which was in line with the prior year. Over the next year, the aim will be to grow both statutory and voluntary income streams, to enable funds to be committed to developing services for patients and their families.

St Clare held net assets of £4.88m at 31 March 2013. Of this £2.15m had been invested in land, buildings and equipment leaving current assets of £2.73m.

Fundraising Performance

Fundraising income generated in 2012/13 was £1,103k compared to a prior year figure of £1,083k. This was a small improvement on the previous year despite a continued difficult economic climate and a restructuring of the team.

The report last year highlighted that the Hospice recognised that it was not connecting with existing supporters. During the year, a lot of hard work has gone into improving processes and building excellent relationships with those who choose to support St Clare, recognising that donors always have a choice where to give their money. The recruitment of a new Communications Manager has led to greater public awareness of Hospice services and costs.

As a result there was strong growth in the funds generated by community groups with income up by 35% on the previous year. The recruitment of a Community Fundraiser to cover the Uttlesford District has proved a correct decision, with an increase in the monies raised in this key area.

Thanks to the continued support of Weston Homes, corporate fundraising increased by 31%. The introduction of the Clarity Business Club, a business networking group based

St Clare West Essex Hospice Care Trust

at the Hospice, has put fundraising for St Clare firmly in the thoughts of local businesses

Support from those who have benefitted from the services of St Clare has continued to be robust, highlighting the gratitude patients and their families feel towards the Hospice. Of particular note were the two substantial legacies received during the period totalling £270k

Where fundraising has failed to make headway is in developing new, attractive appeals which has resulted in a decline in this income stream. For the year ahead, we are working with a respected consultancy to review and improve how we approach this regular source of income. Events fundraising continues to struggle, with sponsorship fatigue by donors a significant factor. A new post holder, and a root and branch review of the events offered is expected to bear dividends for the coming year.

Looking ahead to 2013/14 we aim to

- Continue the development of supporter relationships leading to long lasting attachment to the St Clare cause
- Refresh the events portfolio to reflect changes in that arena
- Develop a robust appeals strategy and plan of execution order to drive forward income generation
- Redevelop the website and review the use of digital marketing to attract new supporters

Retail and Lottery Performance

St Clare Hospice Shops had a steady trading year which, combined with careful cost control, resulted in a net contribution of £493k, down from the best ever trading results of the previous year of £525k

Despite the extended period of bad weather from Christmas to year end, sales through the shops were on par with the previous year. However profit was reduced due to the planned refurbishment costs of the Saffron Walden shop and essential maintenance at the shop in Buckhurst Hill. Re-cycling income was lower than expected due to a drop in global demand for textiles.

The following was achieved in the year

- The recruitment of a Donor/Customer Care Supervisor at the Harlow shop has improved the level of service provided to donors and customers at this very busy shop, as well as driving up retail Gift Aid income by 16%, despite only being in post for 9 months of the year
- Leases were renewed on both the Saffron Walden and Epping shops
- The Saffron Walden shop has been sympathetically refurbished
- The Bishop Stortford shop is undergoing a trial period of Sunday opening which is proving successful

In 2013/14 the retail team will be looking to

- Refit the Epping store
- Undertake a review of the retail structure, to ensure it continues to succeed in the current trading environment

St Clare West Essex Hospice Care Trust

- Be alert to potential new retail sites
- Re-negotiate lease terms at the Dunmow shop
- Revisit stock management solutions
- Continue to grow retail Gift Aid income

Net income generated from the weekly lottery draw and the Spring Raffle was £183k, which was an increase of 8% on last year. The number of weekly players climbed to 6,664 from 6,038 the previous year. Face to face sales continue to be the main method of player recruitment with the St Clare cause resonating strongly in the local area. During the year, the administration processes have been streamlined with fewer players now paying by cash. Also, the move from Standing Order to Direct Debit payment is anticipated to speed up the recruitment process and have a positive impact on income.

Investment

The Trustees' investment policy is governed by the Company's Memorandum of Association which allows the Trustees to invest its funds in such stocks, funds, shares, securities or other investments of whatever nature they think fit, subject to any conditions imposed by law. However, in practice, the Trustees currently do not hold any investments other than cash.

Beyond a small working balance, all of St Clare's cash is held in interest bearing accounts. That cash which is not required in the short term is invested in immediate, notice or fixed term deposits to secure the highest rate of interest available, which is consistent with the security of the investment.

The current policy set by the Trustees for investment of cash, limits the amount which can be invested in a single financial institution and also prohibits investment in any financial product except term deposits in pounds sterling.

Reserves Policy and Objectives

There are a number of levels of financial targets towards which the Trustees aspire.

Level 1 – raising sufficient cash to build and equip the Hospice (this would include repayment of borrowings)

Level 2 – generation of sufficient income to run St Clare from day to day in cash terms (including elimination of past deficits)

Level 3 – generation of enough income to run St Clare from day to day, and cover aggregate depreciation of assets, so enabling replacement of wasting assets

Level 4 – generation of enough excess income to build a number of specific and broadly quantifiable reserves to cover

- six months' operating costs as a buffer to allow time to address any major income crisis,
- specific projects to enable St Clare to expand or improve its range of activities,
- liabilities that might arise on an unexpected curtailment of activities

Level 5 – creation of an endowment reserve or fund with the capacity to generate perhaps 20% or 25% of the Hospice's income. This fund would be available to

St Clare West Essex Hospice Care Trust

supplement shortfalls in the Hospice's income or to provide the means of financing major capital developments

Whilst these targets build naturally and logically one upon another, and might be seen as staging posts on a journey to full security, they are simply a framework of intent. They should not be allowed to inhibit exploitation of opportunities to begin building specifically towards targets beyond those immediately ahead. For example, before reaching the state of equilibrium of Level 3, a large gift might present an opportunity to establish a reserve towards the cost of a new capital project (Level 4) or perhaps even to set up an endowment fund (Level 5), without jeopardising fundamental progress towards Level 3. In such circumstances, the opportunity could be taken.

Currently the Trustees are working towards achieving the Level 4 target and are building good reserves for the expansion and improvement of St Clare Hospice services.

A clear and positive strategy framework enables the Trustees to make longer-term financial judgements and decisions without damaging the integrity of the fundamental strategy.

Of St Clare's net assets of £4.88m at 31 March 2013, £2.15m had been invested in land, buildings and equipment leaving current assets of £2.73m. After deducting restricted funds, £2.66m is available to the Trustees as free reserves. The table below illustrates progress towards the Trustees' reserves targets as follows:

	As at 01/04/2012	Movement during year	Progress towards target 31/03/2013	Level 4 Target
	£	£	£	£
Six months operating costs	1,800,000	100,000	1,900,000	1,900,000
Unexpected curtailment of activities	517,132	241,113	758,245	800,000
Unrestricted funds	2,317,132	341,113	2,658,245	2,700,000
Restricted funds	55,296	11,593	66,889	-
Current assets	2,372,428	352,706	2,725,134	2,700,000

At the start of the financial year the Trustees' had accumulated free reserves totalling £2.32m against the Level 4 target of £2.60m. At 31 March 2013, the Level 4 target had been increased to £2.70m to reflect increased operating costs of the Hospice.

Free reserves at the beginning of the year were 89% of the target at 1 April 2012, which the Trustees considered prudent for the security of the Hospice. Available unrestricted funds increased by £758k during the year, which resulted in the percentage of free reserves against the Level 4 target increasing to 98%.

At the beginning of the year St Clare held free reserves to cover 6 months of operating costs and 65% of the costs of the unexpected curtailment of activities. By the end of the financial year, the increases level of free reserves represented 6 months of operating costs and 95% of the costs towards unexpected curtailment of activities.

Commentary on Last Year's Plans for 2012/13

- The work with patients and families with a non cancer diagnosis has been developing throughout the year with the Day Therapy and Outpatient services.

St Clare West Essex Hospice Care Trust

taking a lead The Hospice now has a range of groups running for people with a non cancer diagnosis, including carers support

- The Community Team has developed over the past year, which commenced with running a pilot of 7 day working by the Clinical Nurse Specialists in May 2012 The pilot clearly demonstrated a need for 7/7 Specialist Nurse cover and a business plan was later developed for the Clinical Commissioning Group to consider the development and funding of extra staff resource A full project plan has been developed with a further business case developed to provide the co-ordination of community services with a vitally important Hospice at Home element being established
- The Community Team have been working closely with GPs and other service providers, to assist with supporting the patient's Preferred Priorities for Care The team have endeavoured to attend various Gold Standard Framework meetings at a number of GP practices, with the Hospice Medical Director taking the lead role in this vital work The team are committed to working collaboratively to enhance patient and family care in the community, supporting patients to be cared for and die in the place of their choice, with the support of health care professionals
- The Hospice team have worked tirelessly and redefined the five year strategy The work was supported by all internal and external stakeholders and has resulted in a challenging, yet achievable strategy for St Clare In addition to this, the Hospice team have developed the first set of organisational values, as well as redefining the overarching mission statement and vision, leading us to an exciting future
- A scoping project was implemented to look at the development options for the Hospice site, addressing the challenge of a lack of clinical, family and meeting space on the Hospice site in the short and long term The team have started the implementation of a 'paper light' approach and clear desk policy, looking at maximising office space and in turn freeing up space for clinical needs and service development In the second half of the year, a capital grant application to the Department of Health was submitted, which presented a full refurbishment project of various parts of the building, looking to enhance the Day Therapy, outpatients and family facilities

Future Plans

The Hospice plans for the coming financial year of 2013/14 are as follows

- To develop a Hospice befriending service as part of the Community Team
- To implement a pilot Hospice at Home service
- To establish a new Patient and Family Support service
- To finalise and implement a full communications and marketing strategy
- To undertake a programme of refurbishment at the Hospice, enhancing clinical space and maximising the use of office space, to ensure efficiency of resources

Statement of Trustees' Responsibilities for Financial Statements

The Trustees (who are also directors of St Clare West Essex Hospice Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

St Clare West Essex Hospice Care Trust

Company law requires Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charitable company and the group and of the incoming/outgoing 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 Statement of Recommended Practice,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Kingston Smith LLP has always served the Charity well and indicated its willingness to continue in office. In accordance with the provisions of the Companies Act it is proposed that they be re-appointed auditors for the ensuing year.

Disclosure of information to auditors

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

People

In my role as Chairman and on behalf of the Board of Trustees, I express our appreciation and thanks to the executives, staff and volunteers who have all made such a significant contribution to St Clare. They continue to demonstrate tremendous commitment, professionalism and enthusiasm which is so necessary to ensure the smooth running of the Hospice.

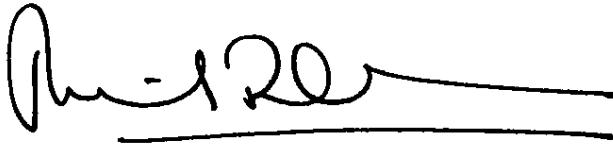
2012/13 was another year of positive growth and development at St Clare, with the Directors team becoming complete when Louise Cameron joined us as Director of Patient Care in November 2012. I would like to wish Louise all the best in her post.

In October 2012 at the AGM, Judy Davidson retired from her role as Trustee. Judy had served as a Trustee for the maximum nine years permitted by the Articles of Association. I would like to offer my thanks on behalf of the Board of Trustees and everyone at the Hospice for the hard work and expertise that Judy has devoted to the Hospice. I also wish to thank her personally for her help and support.

St Clare West Essex Hospice Care Trust

Finally I would like to offer my personal thanks to my colleagues on the Board of Trustees for their continuing support which has been incredibly valuable, especially during my time as Chairman. After completing nine years as a Trustee, I will be retiring from my role later this year and look forward to seeing the continued growth, development and success of St Clare. The experience of the Board not only allows for us to meet our responsibilities regarding the organisations governance, but encourages and facilitates the development of such a valuable resource for local people. I am thankful to all involved and am very proud to be part of St Clare.

This report was approved by the board on 25 July 2013

A handwritten signature in black ink, appearing to read 'Michael Chapman', followed by a long horizontal line.

Michael Chapman DL
Chairman

Independent Auditors' Report to the Members and Trustees of St Clare West Essex Hospice Care Trust

We have audited the financial statements of St Clare West Essex Hospice Care Trust for the year ended 31 March 2013 which comprise the Consolidated Statement of Financial Activities, the Consolidated and Charity Balance Sheets 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 and trustees those matters which 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 any party other than the charitable company and 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, 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.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charity's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the trustees, and the overall presentation of the financial statements. In addition we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the 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 2013 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and

St Clare West Essex Hospice Care Trust

- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matters prescribed by the Companies Act 2006

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

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 parent charitable company has not kept adequate accounting records, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent charitable company's 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

Kingston Smith LLP

David Benton
Senior Statutory Auditor
for and on behalf of
Kingston Smith LLP, Statutory Auditor

25 July 2013

Devonshire House
60 Goswell Road
London
EC1M 7AD

St Clare West Essex Hospice Care Trust

Group Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 March 2013

	Notes	Unrestricted Funds £	Restricted Funds £	Totals 2013 £	Totals 2012 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Donations and gifts	3	1,097,537	84,959	1,182,496	1,067,254
Legacies	4	293,565	-	293,565	421,452
Activities for generating funds					
Fundraising events & similar income		174,643	-	174,643	231,537
Friends of St Clare branches	5	16,652	-	16,652	16,813
Trading Company turnover	6	1,296,414	-	1,296,414	1,314,329
Investment income and interest		39,025	-	39,025	28,047
Incoming resources from charitable activities	7	913,271	8,233	921,504	919,222
Other incoming resources		25,716	-	25,716	20,264
Total incoming resources		3,856,823	93,192	3,950,015	4,018,918
Less: Costs of generating funds					
Fundraising and publicity	8	436,473	-	436,473	432,547
Friends of St Clare branches	5	507	-	507	701
Trading Company expenses	6	884,894	-	884,894	853,250
		1,321,874	-	1,321,874	1,286,498
Net incoming resources available for charitable application		2,534,949	93,192	2,628,141	2,732,420
Charitable activities					
Patient care	9	2,291,138	77,161	2,368,299	2,325,534
Education and research		-	4,438	4,438	5,523
Governance costs	10	27,981	-	27,981	27,571
Total charitable expenditure		2,319,119	81,599	2,400,718	2,358,628
Costs of generating funds		1,321,874	-	1,321,874	1,286,498
Charitable expenditure		2,319,119	81,599	2,400,718	2,358,628
Total resources expended		3,640,993	81,599	3,722,592	3,645,126
Net income for year		215,830	11,593	227,423	373,792
Fund balances brought forward at 1 April		4,595,965	55,296	4,651,261	4,277,469
Fund balances carried forward at 31 March	20	4,811,795	66,889	4,878,684	4,651,261

The statement of financial activities includes all gains and losses recognised in the year
All incoming resources and resources expended derive from continuing activities

St Clare West Essex Hospice Care Trust

Group and Charity Balance Sheets as at 31 March 2013

		Group		Charity	
	Notes	2013	2012	2013	2012
		£	£	£	£
Fixed assets					
Tangible assets	14	2,153,550	2,278,833	2,126,321	2,255,957
Investments	15	-	-	2	2
		<u>2,153,550</u>	<u>2,278,833</u>	<u>2,126,323</u>	<u>2,255,959</u>
Current assets					
Stocks		16,036	14,940	-	-
Debtors and prepayments	16	445,156	138,954	628,238	434,045
Bank deposits		2,309,477	2,233,162	2,168,604	1,994,021
Cash at bank and in hand		172,590	187,990	84,136	85,864
Friends branch funds		1,972	2,651	1,972	2,651
		<u>2,945,231</u>	<u>2,577,697</u>	<u>2,882,950</u>	<u>2,516,581</u>
Creditors amounts falling due within one year	17	(220,097)	(205,269)	(139,345)	(130,035)
Net current assets		<u>2,725,134</u>	<u>2,372,428</u>	<u>2,743,605</u>	<u>2,386,546</u>
Net assets		<u>4,878,684</u>	<u>4,651,261</u>	<u>4,869,928</u>	<u>4,642,505</u>
Funds					
Unrestricted funds	20	4,811,795	4,595,965	4,803,039	4,587,209
Restricted funds	20	66,889	55,296	66,889	55,296
Total funds		<u>4,878,684</u>	<u>4,651,261</u>	<u>4,869,928</u>	<u>4,642,505</u>

Approved by the board of Trustees and authorised for issue on 25 July 2013

and signed on its behalf by



Michael Chapman
Chair of Board of Trustees



David Thomson
Chair of Finance Committee

Company Registration Number 3398955

St Clare West Essex Hospice Care Trust

Group Cash Flow Statement for the year ended 31 March 2013

	2013 £	2013 £	2012 £	2012 £
Net cash inflow from operating activities (note 1 below)		48,630		622,339
Returns on investments and servicing of finance				
Interest received	39,025		28,047	
		39,025		28,047
Capital expenditure and financial investment				
Purchase of tangible fixed assets	(27,419)		(15,861)	
Net cash (outflow) for capital expenditure and financial investment		(27,419)		(15,861)
Increase in cash for the year		60,236		634,525

Notes to the Group Cash Flow Statement

1 Reconciliation of operating loss to net cash inflow from operating activities

	2013 £	2012 £
Net incoming resources	188,398	345,745
Depreciation	152,702	156,537
(Increase) in stocks	(1,096)	(613)
(Increase) / decrease in debtors	(306,202)	141,411
Increase / (decrease) in creditors	14,828	(20,741)
Net cash inflow from operating activities	48,630	622,339

2 Analysis of changes in cash and cash equivalents during the year

	2013 £	2012 £
Balance at 1st April 2012	2,423,803	1,789,278
Increase in cash and cash equivalents	60,236	634,525
Balance at 31st March 2013	2,484,039	2,423,803

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2013

1 Accounting policies

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention with income and expenditure recognised on an accruals basis. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' (SORP 2005) and in accordance with applicable accounting standards and the Companies Act 2006.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the Financial Statements of the Charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

No separate SOFA has been presented for the Charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

(b) Company status

The Charity is a company limited by guarantee. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per Member of the Charity. The Members of the Charity are the Trustees named on page 2.

(c) Fund accounting

Unrestricted funds are those available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds are those earmarked by the Trustees for a particular purpose.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes.

Investment income and gains are allocated to the unrestricted or restricted as appropriate.

(d) Incoming resources

All incoming resources are included in the SOFA when St Clare becomes legally entitled to the income, and when the amount can be quantified with reasonable accuracy. Grants given to finance activities over a specified period of time are recognised over that period. Funds raised by Friends' branches are consolidated within the Charity's accounts.

The value of gifts in kind donated for use by the Charity are included as expenditure at valuation and recognised as income when received. Gifts donated for resale are included as income when they are sold.

(e) Volunteers services

The value of services provided by volunteers is not incorporated into these financial statements. Further details of the contribution made by volunteers can be found in the Trustees' annual report.

(f) Resources expended

Resources expended are included in the SOFA on an accruals basis, inclusive of any VAT which cannot be recovered.

- Costs of generating funds include expenditure directed to raising funds to finance the charitable objects and to promote the activities of the Charity.
- Charitable activities include expenditure associated with providing Hospice care services to patients, their carers, families and friends and include both the direct and support costs relating to those activities.
- Governance costs include those costs incurred in the governance of the Charity and its assets and are primarily associated with constitutional and statutory requirements.
- Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources e.g. allocating premises costs by floor area, staff costs by time spent, and other costs by their usage.

(g) Pension costs

The pension costs charged in the Financial Statements represent the contributions payable by the Charity during the year, in accordance with Financial Reporting Standard 17.

A number of employees are members of the National Health Service Pension Scheme. This is a defined benefits scheme, the assets of which are held independently of the Charity. The assets relating to the Charity's employees cannot be separately identified and, in accordance with FRS 17, are not included in the Balance Sheet. Employees who are not eligible to join this scheme are able to join a Group Personal Plan.

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2013

(h) Tangible fixed assets and depreciation

Tangible fixed assets costing more than £500 are capitalised

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful lives as follows

Freehold land	Nil
Freehold buildings	over 50 years
Freehold building adaptations	over 10 years
Telephones	over 5 years
Computer equipment	over 4 years
Motor vehicles	over 4 years
Furniture, equipment and medical equipment	over 5 years
Equipment purchased for loan in the community is charged to revenue in the year of acquisition	

(i) Stock

Stock consists of purchased goods for resale. Stocks are valued at the lower of cost and net realisable value. Items donated for resale are not included in the financial statements until they are sold.

(j) Leases

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

2 Financial activities of the Charity

The financial activities shown in the consolidated statement includes those of the Charity's wholly owned subsidiary, St Clare Hospice Trading Company Limited.

A summary of the financial activities undertaken by the Charity is set out below

	2013 £	2012 £
Gross incoming resources	3,065,121	3,167,228
Total expenditure on charitable activities	(2,372,737)	(2,331,057)
Fundraising costs	(436,980)	(433,248)
Governance costs	(27,981)	(27,571)
Net incoming resources	227,423	375,352
Total funds brought forward	4,642,505	4,267,153
Total funds carried forward	4,869,928	4,642,505
Represented by		
Restricted income funds	66,889	55,296
Unrestricted income funds	4,803,039	4,587,209
	4,869,928	4,642,505

3 Donations and gifts

	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
Individuals	370,788	-	370,788	363,423
Appeals	32,186	-	32,186	48,050
Charitable Trusts	92,088	84,959	177,047	174,915
Community	207,819	-	207,819	153,938
Corporate	123,390	-	123,390	94,286
Donations from Retail Gift Aid Scheme	217,013	-	217,013	186,114
Retail Gift Aid	54,253	-	54,253	46,528
	1,097,537	84,959	1,182,496	1,067,254

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2013

4 Legacies

In addition to legacies received during the year, the Charity is the beneficiary of a further legacy and residual sums from two other legacies not yet completed. The estimated values of these legacies are not known. Therefore, they have not been included in the financial statements, as there is no certainty that these legacies will be received and they cannot be accurately quantified.

5 Net income from Friends branches

There are four Friends groups that raise funds for the Trust. Their accounts are consolidated within the Charity's accounts.

	2013 £	2012 £
Income	16,652	16,813
Fundraising expenditure	(507)	(701)
Net income	16,145	16,112
Amount remitted to St Clare West Essex Hospice Care Trust	16,824	15,970
(Decrease) / increase in retained funds	(679)	142
Friends branch funds brought forward	2,651	2,509
Balance at 31 March	1,972	2,651

6 Net income from trading activities of subsidiary company

The Charity has one wholly owned trading subsidiary, St Clare Hospice Trading Company Limited, which is registered in England & Wales.

The principal activities of St Clare Hospice Trading Company Limited are the sale of purchased and donated goods in support of St Clare West Essex Hospice Care Trust through its shops, and the operation of a lottery.

St Clare Hospice Trading Company Limited	2013 £	2012 £
Profit and loss account		
Turnover	1,296,414	1,314,329
Cost of sales & administration expenses	(884,894)	(853,250)
Rent payable to St Clare West Essex Hospice Care Trust	(5,000)	(5,000)
Net profit	406,520	456,079
Amount gift-aided to the Charity	406,520	457,639
Retained in subsidiary	-	(1,560)
	406,520	456,079

The aggregate of the assets, liabilities and funds at 31 March 2013 was

Assets	372,969	454,496
Liabilities	(364,211)	(445,738)
Funds	8,758	8,758

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2013

7 Incoming resources from charitable activities

	2013 £	2012 £
NHS West Essex - Primary Care Trust Service Level Agreement	745,625	744,659
NHS Hertfordshire - Primary Care Trust Service Level Agreement	41,647	41,278
NHS Pension reimbursement	60,500	60,500
Reimbursement of share of consultant costs	65,499	65,499
Research & development (restricted income)	8,233	7,286
	<u>921,504</u>	<u>919,222</u>

8 Costs of generating funds

	Direct costs £	Support costs (note 11) £	Total 2013 £	Total 2012 £
Costs of generating voluntary income	354,081	82,392	436,473	432,547
Friends of St Clare branches	507	-	507	701
Trading Company expenses	884,894	-	884,894	853,250
	<u>1,239,482</u>	<u>82,392</u>	<u>1,321,874</u>	<u>1,286,498</u>

9 Patient care

	Direct costs £	Support costs (note 11) £	Total 2013 £	Total 2012 £
In-patient unit	936,772	453,026	1,389,798	1,420,558
Day Therapy and Outpatients	225,933	174,970	400,903	376,748
Community service	367,199	83,982	451,181	401,033
Psychological and Family Support	98,008	28,409	126,417	127,195
	<u>1,627,912</u>	<u>740,387</u>	<u>2,368,299</u>	<u>2,325,534</u>

10 Governance

	Direct costs £	Support costs (note 11) £	Total 2013 £	Total 2012 £
Audit	6,048	-	6,048	7,176
Trustee indemnity insurance	1,500	-	1,500	1,500
Other	-	20,433	20,433	18,895
	<u>7,548</u>	<u>20,433</u>	<u>27,981</u>	<u>27,571</u>

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2013

11 Support costs

(a) Overall support costs

					Total	Total
	Basis of allocation	Patient Care (see below)	Fundraising	Governance	2013	2012
					£	£
Management and HR	Staff Time	94,979	11,583	9,266	115,828	70,894
Insurance and other costs	Floor space	11,111	585	-	11,696	11,113
Volunteer services	Usage	28,848	3,205	-	32,053	22,762
Premises and facilities	Floor space	225,495	11,868	-	237,363	229,807
Catering and cleaning	Staff Time	122,563	5,107	-	127,670	130,863
Communications	Staff Time	55,738	13,935	-	69,673	78,904
IT	Staff Time	85,362	14,574	4,164	104,100	118,260
Office costs	Staff Time	116,291	21,535	5,743	143,569	119,056
Legal fees	Usage	-	-	1,260	1,260	3,949
TOTALS		740,387	82,392	20,433	843,212	785,608

(b) Support costs - patient care activity

						Total	Total
	Basis of allocation	In-patient unit	Day Therapy and Outpatients	Community Service	Psychological and Family Support	2013	2012
						£	£
Management and HR	Staff Time	61,736	14,247	12,347	6,649	94,979	58,133
Insurance and other costs	Floor space	7,889	2,667	333	222	11,111	10,557
Volunteer services	Usage	10,097	18,751	-	-	28,848	20,486
Premises and facilities	Floor space	160,101	54,119	6,765	4,510	225,495	218,317
Catering and cleaning	Staff Time	90,697	25,738	3,677	2,451	122,563	124,320
Communications	Staff Time	25,639	13,377	13,935	2,787	55,738	63,123
IT	Staff Time	37,559	20,487	21,341	5,975	85,362	96,973
Office costs	Staff Time	59,308	25,584	25,584	5,815	116,291	95,245
Legal fees	Usage	-	-	-	-	-	2,081
TOTALS		453,026	174,970	83,982	28,409	740,387	689,235

12 Total resources expended

Resources expended includes

	2013	2012
	£	£
Depreciation	152,702	156,537
Auditors remuneration (including irrecoverable VAT)		
- Statutory audit - current year	15,598	15,388
- Prior year underprovision	-	954
- Other services	250	604
Trustees indemnity insurance	1,500	1,500
Operating leases	174,332	173,782

As permitted by s 408 Companies Act 2006, the income and expenditure account of the Company is not presented in the Financial Statements

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2013

13 Trustees' remuneration

No Trustees received emoluments or were reimbursed expenses in the current or comparative year

14 Tangible fixed assets

Group

	Freehold Land & Buildings £	Furniture & Equipment £	Total £
Cost			
At 1 April 2012	2,845,602	455,847	3,301,449
Additions	-	27,419	27,419
Disposals	-	(14,728)	(14,728)
At 31 March 2013	<u>2,845,602</u>	<u>468,538</u>	<u>3,314,140</u>
Depreciation			
At 1 April 2012	716,032	306,584	1,022,616
Charge for year	95,734	56,968	152,702
Disposals	-	(14,728)	(14,728)
At 31 March 2013	<u>811,766</u>	<u>348,824</u>	<u>1,160,590</u>
Net book value at 31 March 2013	<u>2,033,836</u>	<u>119,714</u>	<u>2,153,550</u>
Net book value at 31 March 2012	<u>2,129,570</u>	<u>149,263</u>	<u>2,278,833</u>

Charity

	Freehold Land & Buildings £	Furniture & Equipment £	Total £
Cost			
At 1 April 2012	2,845,602	373,648	3,219,250
Additions	-	15,652	15,652
Disposals	-	(3,778)	(3,778)
At 31 March 2013	<u>2,845,602</u>	<u>385,522</u>	<u>3,231,124</u>
Depreciation			
At 1 April 2012	716,032	247,261	963,293
Charge for year	95,734	49,554	145,288
Disposals	-	(3,778)	(3,778)
At 31 March 2013	<u>811,766</u>	<u>293,037</u>	<u>1,104,803</u>
Net book value at 31 March 2013	<u>2,033,836</u>	<u>92,485</u>	<u>2,126,321</u>
Net book value at 31 March 2012	<u>2,129,570</u>	<u>126,387</u>	<u>2,255,957</u>

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2013

15 Fixed asset investments

	Charity	
	2013	2012
	£	£
Shares in subsidiary company		
St Clare Hospice Trading Company Limited	<u>2</u>	<u>2</u>

The Charity owns the whole of the issued share capital of St Clare Hospice Trading Company Limited, a company incorporated in England and Wales. The company exists solely to raise funds for the work of the Charity by the sale of donated and purchased goods and the operation of a lottery.

16 Debtors and prepayments

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
St Clare Hospice Trading Company Limited	-	-	283,459	370,222
HMRC - income tax recoverable	23,026	20,117	23,026	20,117
Accrued legacy income	270,000	2,500	270,000	2,500
Interest due	15,506	10,914	15,506	10,914
Prepayments and other debtors	<u>136,624</u>	<u>105,423</u>	<u>36,247</u>	<u>30,292</u>
	<u>445,156</u>	<u>138,954</u>	<u>628,238</u>	<u>434,045</u>

17 Creditors amounts falling due within one year

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Interest free loans	2,500	7,429	2,500	7,429
Taxation, Social Security	55,154	50,902	55,154	50,902
Trade creditors	14,974	11,870	-	-
Other creditors	139,631	118,014	73,853	54,650
Accruals and deferred income	<u>7,838</u>	<u>17,054</u>	<u>7,838</u>	<u>17,054</u>
	<u>220,097</u>	<u>205,269</u>	<u>139,345</u>	<u>130,035</u>

Included in other creditors are pension contributions amounting to £21,183 (2012 £21,060)

18 Staff costs

	2013	2012
	£	£
Salaries	2,239,357	2,189,416
Social security costs	181,765	172,682
Pension costs	<u>168,515</u>	<u>170,770</u>
	<u>2,589,637</u>	<u>2,532,868</u>

The number of employees whose emoluments as defined for taxation purposes amounted to more than £60,000 during the year was as follows

£60,000 - £70,000	1	2
£80,000 - £90,000	1	-
£110,000 - £120,000	1	1

During the year pension costs on behalf of these employees amounted to £27,524 (2012 £26,160)

For the highest paid employee, the Charity was reimbursed 50% of this cost from NHS West Essex - Primary Care Trust

The average number of employees during the year was

	2013	2012
Full time	47	48
Part time	43	42

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2013

19 Analysis of net assets between funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2013 represented by				
Tangible fixed assets	-	2,153,550	-	2,153,550
Current assets	2,878,342	-	66,889	2,945,231
Current liabilities	(220,097)	-	-	(220,097)
Total net assets	<u>2,658,245</u>	<u>2,153,550</u>	<u>66,889</u>	<u>4,878,684</u>

20 Statement of funds

	At 1 April 2012 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2013 £
Unrestricted funds					
General funds	2,317,132	3,856,823	(3,488,291)	(27,419)	2,658,245
Designated funds	<u>2,278,833</u>	<u>-</u>	<u>(152,702)</u>	<u>27,419</u>	<u>2,153,550</u>
	4,595,965	3,856,823	(3,640,993)	-	4,811,795
Restricted funds					
Community Service fund	3,731	80,000	(72,202)	-	11,529
Day Therapy and IPU fund	-	4,959	(4,959)	-	-
Education & Research fund	<u>51,565</u>	<u>8,233</u>	<u>(4,438)</u>	<u>-</u>	<u>55,360</u>
	55,296	93,192	(81,599)	-	66,889
Total funds	<u>4,651,261</u>	<u>3,950,015</u>	<u>(3,722,592)</u>	<u>-</u>	<u>4,878,684</u>

Designated funds represent the net book value of fixed assets held by the Charity as these are not free reserves

Restricted funds

The Community Service fund represents funds given by a Trust which wishes to remain anonymous to develop the Hospice community palliative care service

The Day Therapy and IPU fund represents funds given by Trusts to purchase equipment and fund other costs for these services

The Education & Research fund represents funds for the further education of Doctors

21 Future financial commitments

At 31 March 2013 the group had annual commitments under non-cancellable operating leases as set out below

	2013 £	2013 £	2012 £	2012 £
	Other	Land & Building	Other	Land & Building
Operating leases which expire				
under one year	860	21,500	6,116	18,667
in the second to fifth year	20,350	88,501	12,000	56,001
after five years	-	-	-	30,000
	<u>21,210</u>	<u>110,001</u>	<u>18,116</u>	<u>104,668</u>