



ST CLARE WEST ESSEX HOSPICE CARE TRUST

Annual Report and Financial Statements 2014



Registered Charity No. 1063631

Registered Company No. 3398955

Annual Report and Financial Statements 2014

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stclarehospice.org.uk

Company Limited by Guarantee, Registered in England No. 3398955
Registered Charity No. 1063631

St Clare West Essex Hospice Care Trust

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

Patrons

Mr Robert Halfon MP
Mrs Eleanor Laing MP
Mr Gary Neill
Lord Petre
Ms Christine Walkden
Mr Bob Weston
Mr John Wickens
Mrs Paula Winter

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

Mr Patrick Foster <i>FCIOB</i>	Chairman
Mr John Frazer	Vice Chairman
Mr Phil Quincey <i>BSc (Hons)</i>	Vice Chairman
Mr Michael Chapman <i>DL</i>	<i>Retired* 15/10/2013</i>
Mrs Debbie Bodhanya <i>BSc (Hons) RGN MBA PgCEmeded</i>	
Ms Julie Kendall <i>BA (Hons) MBA</i>	<i>Resigned 25/04/2013</i>
Mr Brian Moore	
Mr David Thomson <i>BAcc CA</i>	
Dr Ronald Morgan <i>MB ChB FRCP Dip Pall Med</i>	
Mr David Dunkley	<i>Appointed 20/05/2013</i>
Mrs Jennifer Minihane <i>BSc (Hons) RGN</i>	<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 *BSc (Hons)*

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)*

Acting Director of Patient Care

Ms Beth Burton *BA (Hons) RNA*

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

Trustees' Report

Introduction

During the course of this year, St Clare has continued to gather momentum and pace in developing services for people living in West Essex and East Hertfordshire. Since implementing the 5 year strategy, there has been the development of the Community service and the long awaited Hospice at Home service, which launched in January 2014 and was a monumental day for St Clare.

Supporting patients and families during one of the most critical times of their lives will always be the focus of St Clare; ensuring excellent quality care and choice for patients of where they wish to be cared for, be it here at the Hospice or in their own homes, is what St Clare has always aspired to do. Through the Hospice at Home service, there is now a team of Nurses and Nursing Assistants who can care for people in their own homes with dignity and compassion, truly what hospice care is all about.

Along with providing quality driven and individualised care, one of the key achievements during the year has been the completion of a large refurbishment project that was able to be undertaken following a grant from the Department of Health. Every clinical department across the Hospice has been transformed into a light, bright, airy and uplifting space, where patients and families can be comfortably cared for and enjoy these exceptional facilities.

Day Therapy and Outpatient services now have purpose built rooms so care can be delivered in an appropriate environment. The positive feedback from the patients, staff and volunteers who use these spaces on a daily basis has been wonderful to hear.

To ensure that the Hospice continues to operate in a safe and professional manner in all areas of its work, data collection, reporting and governance structures have continued to be developed throughout the year. This enables information to be used positively to learn, develop and improve, striving for excellence in all that St Clare does.

With contracting rounds and the fundraising environment becoming more and more challenging, the team continue to work hard to engage a wide range of stakeholders and to share the valuable work of St Clare with partners in the local community.

Despite the many challenges, 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 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.

St Clare West Essex Hospice Care Trust

Governance of St Clare Hospice

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.

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, Governance 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, 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.

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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.

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:

- 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. The strategy is formally reviewed every six months and a report shared with the Board of Trustees. 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

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(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 Hertfordshire.

The Hospice provides a range of services to patients and families in the local community. These include Inpatient, Day Therapy, Community, Hospice at Home, 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

As a very busy Hospice service, it would not be possible to function without the commitment and support of an enthusiastic team of more than 530 volunteers. The skill and dedication of each and every volunteer cannot be underestimated and is thought to be worth more than £1.3 million a year to the Hospice. This is an estimate of how much it could cost St Clare if it had to pay for all the ways that its volunteers provide support. Volunteers can be responsive, flexible and add diversity, while operating alongside staff in a complimentary way, engaging in all aspects of the Hospice including retail and fundraising.

Without this collaboration, the Hospice would be unable to sustain its services or develop the high level of care for patients and their loved ones. Their commitment enables St Clare to become more innovative, effective and efficient in its provision of care within the community. Their value to the Hospice, but most importantly to the people cared for, cannot be put into words.

During National Volunteers' Week, which ran during 1st – 7th June 2013, volunteers were thanked throughout the Hospice and each department organised a celebration to bring their volunteers together. Volunteers who had achieved long service recognition for five, ten, fifteen and twenty years, were presented with their awards and celebrated with fellow volunteers. Later in the year, a Christmas Party was held to thank volunteers, which was enjoyed by all who attended.

Following the introduction of the new Hospice at Home service, the organisation successfully recruited its first team of St Clare Community Friends, providing practical help and supporting patients and their families in all aspects of everyday living. They completed a specialist training programme and will receive ongoing support both individually and as a group.

In January 2014, a new team of evening volunteers was introduced, to offer an extra pair of hands in the Inpatient Unit. During this busy time of the day, they help by answering telephone calls, meeting and greeting visitors and offering snacks and refreshments to patients. The launch of this new volunteer role has made a wonderful difference to the Inpatient Unit allowing the nurses to dedicate more time to patients and their families.

St Clare Hospice continues to offer exciting volunteer opportunities and consistently receives a high interest in volunteering. This enables the level of support to be maintained in each department across the organisation.

Strategic Report

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 operational and strategic work of the Hospice.

During 2013/14 the team has continued to build upon the solid foundations created in previous years. Staff at St Clare are forward thinking, responsive and flexible to the ever changing national and local health care landscape, and most importantly meeting the needs of patients and their families. The landscape for Hospices is changing dramatically and following on from the work of the 'Commission into the Future of Hospice Care' (Help the Hospices, October 2013), St Clare continues to be challenged to ensure there is a flexible approach to service development, allowing the Hospice to be fit and ready for the future changes which health care and indeed palliative care will bring.

The Hospice has continued to work collaboratively with a wide range of stakeholders in order to deliver the best quality services, sharing knowledge, experience and resources for the benefit of local people. Relationships with NHS commissioners have positively developed, as has the Hospice's standing in the local community as the lead provider of specialist palliative care for West Essex. Most importantly, the Hospice actively works hard to engage the users of services, gaining an enormous amount of positive and constructive feedback on how services can be shaped and grown for the future.

The Inpatient Unit (IPU) has continued to provide high quality specialist palliative care and the clinical activity has remained high, with bed occupancy at 86%, compared to a national median of 77%. The care of patients and families becomes ever more complex and is delivered by a complete multidisciplinary team. A wide range of support and clinical training has been implemented to ensure staff remain skilled, supported and challenged to deliver excellent individualised care to the patients and families who use the IPU service. Furthermore, skilled volunteers have been recruited to support the clinical delivery of care during the busy periods of evening and weekends. This has positively enhanced the care provided to every patient and their family.

Day Therapy and Outpatients services have seen a rise in clinical activity over the last year. The teams continue to develop a wide range of time-limited interventions and therapeutic groups to support patients, families and carers, ensuring individualised care to support, develop and enable patients with life limiting illnesses. The number of outpatient clinics has grown with more patients being supported, allowing them to receive the correct support and intervention whilst returning to their home.

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 has shown a small increase in the number of families being supported and remains responsive to people's needs. Individualised care is provided,

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with the service receiving high levels of positive feedback from those using it. The service is planned to undergo further growth and development now that key individuals are in place to support this project. A team of specially trained volunteers have also been recruited and are going through intensive training in order to provide bereavement befriending, under the support and management of the Bereavement Counsellor.

The Community service is going from strength to strength. Having the team of specialist nurses working alongside the Inpatient, Outpatient and Day Therapy services over a 7 day period has been beneficial for patients, families and professionals alike. The number of patients being cared for has increased within this service, with a higher number of patient visits and supportive telephone calls taking place during the year.

The Medical Director and Specialist Nurses attend the Gold Standard Framework meetings, held in each GP practice, which help to support colleagues and shape patient care. These meetings enable advanced planning of 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.

The new Hospice at Home service was launched in January 2014 and is already supporting many patients and families who require dedicated, individualised hospice care within their own homes. Care is provided by a team of Registered Nurses and Nursing Assistants, which is supportive to all involved. The team work closely alongside the patient's GP, Specialist Nurse and District Nurse team and in many situations work hard to try and avoid an emergency hospital admission for patients who would like to be cared for, and ultimately die in their own home. The NHS Clinical Commissioning Group in West Essex has supported the establishment of this service, which demonstrates a positive commitment to collaborative working for the benefit of local people.

Collaborative working with the hospital, community and the voluntary sector colleagues continues to be an area of focus and development. 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 contribution from the User Involvement Forum and feedback from service users is excellent. Feedback continually praises service delivery, yet gives constructive ideas of service development, a true partnership approach to future development of the Hospice.

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 full induction programme, along with mandatory training for clinical and non clinical staff, is also in place.

Staff support remains a crucial aspect of the Hospice ethos with clinical staff being supported through a model of clinical supervision. Quarterly breakfast meetings take place for all staff to attend where they 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 service delivery and development. A monthly news bulletin is also published for all staff, so everyone can keep up to date with the latest developments and ideas. A volunteer steering group was also established to ensure

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the views and ideas from volunteers are shared within the organisation and used to develop best practice.

All staff have support from their line managers, with management meetings occurring quarterly covering risk management, service development and information exchange. During the year, policies and procedures of the Hospice continued to be developed and enhanced, to ensure safe and best practice for all.

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. The hard work of every member of staff enables the Hospice to continue to deliver high quality patient care.

The year ended with the launch and celebration of the successful Hospice refurbishment project, which was largely funded by the capital grant from the Department of Health. Following almost two years of incredibly hard work, the Hospice now has updated, visionary and coordinated spaces, all centred on the needs of patients and families. The space available has been maximised and more areas have been dedicated to the delivery of patient and family care. It is a true testament to the creativity and vision of a dedicated team.

Financial Review

The outcome for the year was a surplus of £853k, which included a one-off receipt of £472k from the Department of Health for the Hospice refurbishment project. Apart from the capital grant, the financial result was mainly due to maintaining levels of key income areas in the year, as well as a significant increase in legacy receipts.

The Hospice continued to expand and improve patient services, which led to an 11% increase in patient care expenditure in 2013/14. The cost of generating funds also increased, this was principally due to investment in the fundraising team.

NHS income represented 30% of expenditure in 2013/14, 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 £5.73m at 31 March 2014. Of this £2.57m had been invested in land, buildings and equipment, leaving current assets of £3.16m.

Fundraising Performance

Fundraising income generated in 2013/14 was £1,186k compared to a prior year figure of £1,103k. This improvement was due to an encouraging increase in several key income streams.

Individual donations reported a significant increase particularly where 'in memory' donations were concerned. The Hospice benefitted from the generosity of several families who continued to fundraise throughout the year in honour of their loved ones. This accounted for a 14% increase in this area of income.

With the development of Community services and the introduction of the Hospice at Home service, it is reasonable to expect that donations and fundraising income from patients and families who experience these services will increase further in the coming year.

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The Hospice benefitted from two large legacies during the period. Both involved property and again related to care provided by St Clare. It is always gratifying that the efforts of the clinical team are recognised in this way.

Corporate income continues to benefit from the loyal support of Weston Homes. In addition, a range of corporate events were organised which attracted new supporters. Community income saw a slight decline on the previous year down in part to the cyclical nature of the local civic 'Charity of the Year' schemes where St Clare had been fortunate in the past. However, new fundraising groups were established in Waltham Abbey, Dunmow and Clavering, and the enthusiasm of supporters appears undiminished.

In summary, the end of the financial period saw an upswing in fundraising income as a result of a settled team, new targeted products and the increased support of the Communications team promoting the work of St Clare to a wider audience.

Looking ahead to 2014/15, the following aims have been agreed:

- Consolidate the links between fundraising and retail operations to mutual advantage.
- Ensure St Clare is the focus of community and civic giving by building strong relationships with those in decision making positions.
- Further develop online communications and marketing activity, by progressing the website upgrade project.

Retail and Lottery Performance

St Clare Hospice shops had a good trading year with a net contribution of £510k compared to £493k for the previous year. This was despite a marked decline in the price achieved for recycling goods, due to adverse economic conditions in the global textile recycling market.

Highlights for the year included the completion of the planned refurbishment of the shop in Epping, which has resulted in a notable increase in sales income for the store. Also Retail Gift Aid sign ups showed an increase, and income from this scheme continues to be significantly higher than national charity stores.

In 2014/15, the retail team have detailed plans to lay the foundation for expansion both on the high street and via online sales. These include:

- Recruitment of an Operations Manager to oversee the day to day operational running of the shops.
- Installation of an electronic point of sale till system to ensure better stock control, speedier service to customers and even greater Gift Aid sign up.
- Opening an additional store within the Hospice catchment area.

The lottery contribution was up slightly from £190k to £200k. There was no Spring Raffle in the financial year, due to the later timing of Easter 2014. Also, growth in players for the weekly lottery draw was slower than anticipated. A decision was made to appoint a part time Lottery Manager and the postholder started in March.

In the coming financial year, aims for the lottery are to:

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- Implement a new software programme for the weekly lottery draw which will provide enhanced management information.
- Introduce a rollover prize of up to £10k to make the weekly draw competitive with other local lotteries.
- Launch a targeted marketing campaign to start to reduce the reliance on canvasser led player recruitment.
- Hold two Spring Raffles in 2014/15, one at the beginning of the financial year and another at the end.

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 organisation currently does 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 within a 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 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.

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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 £5.73m at 31 March 2014, £2.57m had been invested in land, buildings and equipment, leaving current assets of £3.16m. After deducting restricted funds, £3.07m is available to the Trustees as free reserves. The table below illustrates progress towards the Trustees' reserves targets as follows:

	As at 01/04/2013	Movement during year	Progress towards target 31/03/2014	Level 4 Target
	£	£	£	£
Six months operating costs	1,900,000	100,000	2,000,000	2,000,000
Unexpected curtailment of activities	758,245	313,265	1,071,510	1,100,000
Unrestricted funds	2,658,245	413,265	3,071,510	3,100,000
Restricted funds	66,889	17,108	83,997	-
Current assets	2,725,134	430,373	3,155,507	3,100,000

At the start of the financial year the Trustees' had accumulated free reserves totalling £2.66m, against the Level 4 target of £2.70m. At 31 March 2014, the Level 4 target had been increased to £3.10m to reflect increased operating costs of the Hospice.

Free reserves at the beginning of the year were 98% of the target at 1 April 2013, which the Trustees considered prudent for the security of the Hospice. Available unrestricted funds increased by £413k during the year, which resulted in the percentage of free reserves against the revised Level 4 target increasing to 99%.

At the beginning of the year, St Clare held free reserves to cover 6 months of operating costs and 95% of the costs of the unexpected curtailment of activities. By the end of the financial year, the increased level of free reserves represented 6 months of operating costs and 97% of the costs towards unexpected curtailment of activities.

Risk Management

The Management Group, which meets quarterly under the chairmanship of the Chief Executive Officer, monitors, records and manages risk on an operational basis. The Management Group reports in to the Governance Committee. All areas of risk are 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 Management Group. In short, risks are identified through the management structures and mitigated, managed and / or insured as appropriate.

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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 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 2013/14. Service Level Agreements have been signed with NHS West Essex CCG up to March 2017 and NHS East and North Hertfordshire CCG up to March 2015. 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 size and development potential of the main Hospice site may limit further growth and development of clinical services.

Commentary on Last Year's Plans for 2013/14

- The Hospice at Home service was launched in January 2014, which had been a long held ambition of St Clare. A full project plan and business case was submitted to the local NHS Clinical Commissioning Group, who supported the Hospice with the establishment of this service, a first in West Essex. Within weeks of the service commencing, a number of referrals had been received, all supporting patients and families, allowing them to have excellent hospice care in their own homes. A project proposal for a befriending service has also been established for implementation. The St Clare Hospice Community Friends is a group of specially trained volunteers who will be undertaking this vital work to support patients and families in their own homes.
- The Community Team has continued to evolve, and from January 2014 the Clinical Nurse Specialists began working over a 7 day period to enhance the service offered and to work closely with Hospice at Home. The team attend various Gold Standard Framework meetings at GP practices, with the Hospice

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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 Patient and Family Support service has been reviewed and is beginning to embark upon exciting new developments. The Social Worker post has been successfully recruited to and the services have been engaged of an experienced consultant in psychosocial palliative care, on a part time basis, to begin the work of growing and developing this service, which includes the provision of enhanced bereavement care. Specially trained volunteers have also been recruited to start their roles as bereavement befrienders. These are the first positive steps in establishing an enhanced and robust Patient and Family Support service.
- Due to a vacancy within the Communications department, the service review has not yet been fully completed, which will result in a detailed strategy document. However, with the positive addition of a Communications and Marketing Assistant to the team, there has been enhanced local publicity to celebrate the work of St Clare, which is bringing positive effects to the whole Hospice.
- A scoping project was undertaken to look at the development options for the Hospice site, addressing the challenge of a growing need for clinical, family and meeting space in the short and long term. The team have adopted 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. Following the successful application to the Department of Health capital grants programme, a full refurbishment project was completed across many parts of the Hospice building. Clinical areas of the Hospice have been enhanced, creating light, bright, purpose built spaces for patients and families to use.

Future Plans

The Hospice plans for the coming financial year of 2014/15 are as follows:

- To establish critical incident analysis meetings with colleagues who work in the Community and Acute settings within West Essex. This will enable a system wide approach in developing end of life care for the benefit of patients and families of West Essex.
- To undertake a review of organisational and workforce development.
- To establish a staff forum.
- To undertake a review of the Day Therapy model of care, extending the service over 7 days.
- Review the retail portfolio and make recommendations for future expansion.
- Undertake a scoping project to develop the rear of the Hospice site, to allow the retail team to return to the main site and create space for future development of services.

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.

2013/14 was another year of positive growth and development at St Clare, with the Directors team working hard together on the delivery of our strategy. Following the departure of Louise Cameron in February 2014, Beth Burton took over as acting Director of Patient Care to continue with the positive developments of the clinical services.

In October 2013 at the AGM, Michael Chapman retired from his role as Chairman, having served as a Trustee for the maximum nine years permitted by the Articles of Association. I would like to offer my sincere thanks on behalf of the Board of Trustees and everyone at the Hospice for the hard work and expertise that Michael has devoted

St Clare West Essex Hospice Care Trust

to the Hospice. Michael was instrumental in the development of the Hospice to what it is today, his role in the local community was pivotal within this, even prior to him becoming a Trustee, when he was Chairman of the local Health Authority. St Clare is stronger due to his professional input and guiding hand with its development, and for this I give my personal thanks.

Finally I would like to offer my thanks to my colleagues on the Board of Trustees for their continuing support which has been incredibly valuable, especially as I step into the role of Chairman. I look forward to working with all my colleagues over the coming months and years, 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 organisation's 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 of Trustees and authorised for issue on 24 July 2014.

A handwritten signature in black ink, appearing to read 'Patrick Foster', with a long horizontal flourish extending to the right.

Patrick Foster
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 2014 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. 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 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;

St Clare West Essex Hospice Care Trust

- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other 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.



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

Devonshire House
60 Goswell Road
London
EC1M 7AD

24 July 2014

St Clare West Essex Hospice Care Trust

Group Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 March 2014

	Notes	Unrestricted Funds £	Restricted Funds £	Totals 2014 £	Totals 2013 £
Incoming resources					
Incoming resources from generated funds					
Voluntary income					
Donations and gifts	3	1,258,656	94,351	1,353,007	1,182,496
Legacies	4	571,450	-	571,450	293,565
Activities for generating funds					
Fundraising events & similar income		178,605	-	178,605	174,643
Friends of St Clare branches	5	13,911	-	13,911	16,652
Trading Company turnover	6	1,216,771	-	1,216,771	1,296,414
Investment income and interest		25,759	-	25,759	39,025
Incoming resources from charitable activities	7	1,044,733	481,260	1,525,993	921,504
Other incoming resources		16,374	-	16,374	25,716
Total incoming resources		4,326,259	575,611	4,901,870	3,950,015
Less: Costs of generating funds					
Fundraising and publicity	8	506,741	-	506,741	436,473
Friends of St Clare branches	5	283	-	283	507
Trading Company expenses	6	866,076	-	866,076	884,894
		1,373,100	-	1,373,100	1,321,874
Net incoming resources available for charitable application		2,953,159	575,611	3,528,770	2,628,141
Charitable activities					
Patient care	9	2,575,322	61,481	2,636,803	2,368,299
Education and research		-	6,492	6,492	4,438
Governance costs	10	32,166	-	32,166	27,981
Total charitable expenditure		2,607,488	67,973	2,675,461	2,400,718
<i>Costs of generating funds</i>		<i>1,373,100</i>	<i>-</i>	<i>1,373,100</i>	<i>1,321,874</i>
<i>Charitable expenditure</i>		<i>2,607,488</i>	<i>67,973</i>	<i>2,675,461</i>	<i>2,400,718</i>
<i>Total resources expended</i>		<i>3,980,588</i>	<i>67,973</i>	<i>4,048,561</i>	<i>3,722,592</i>
Total resources expended	12	3,980,588	67,973	4,048,561	3,722,592
Net income for year		345,671	507,638	853,309	227,423
Transfers between funds		490,530	(490,530)	-	-
Fund balances brought forward at 1 April		4,811,795	66,889	4,878,684	4,651,261
Fund balances carried forward at 31 March	20	5,647,996	83,997	5,731,993	4,878,684

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 2014

		Group		Charity	
	Notes	2014	2013	2014	2013
		£	£	£	£
Fixed assets					
Tangible assets	14	2,576,910	2,153,550	2,540,277	2,126,321
Investments	15	-	-	2	2
		<u>2,576,910</u>	<u>2,153,550</u>	<u>2,540,279</u>	<u>2,126,323</u>
Current assets					
Stocks		10,150	16,036	-	-
Debtors and prepayments	16	501,781	445,156	874,092	628,238
Bank deposits		2,787,136	2,309,477	2,441,263	2,168,604
Cash at bank and in hand		152,998	172,590	56,860	84,136
Friends branch funds		1,115	1,972	1,115	1,972
		<u>3,453,180</u>	<u>2,945,231</u>	<u>3,373,330</u>	<u>2,882,950</u>
Creditors: amounts falling due within one year	17	(298,097)	(220,097)	(190,372)	(139,345)
Net current assets		<u>3,155,083</u>	<u>2,725,134</u>	<u>3,182,958</u>	<u>2,743,605</u>
Net assets		<u>5,731,993</u>	<u>4,878,684</u>	<u>5,723,237</u>	<u>4,869,928</u>
Funds:					
Unrestricted funds	20	5,647,996	4,811,795	5,639,240	4,803,039
Restricted funds	20	83,997	66,889	83,997	66,889
Total funds		<u>5,731,993</u>	<u>4,878,684</u>	<u>5,723,237</u>	<u>4,869,928</u>

Approved by the Board of Trustees and authorised for issue on 24 July 2014
and signed on its behalf by:



Patrick Foster
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 2014

	2014 £	2014 £	2013 £	2013 £
Net cash inflow from operating activities (note 1 below)		1,004,564		48,630
Returns on investments and servicing of finance				
Interest received	25,759		39,025	
		25,759		39,025
Capital expenditure and financial investment				
Purchase of tangible fixed assets	(573,113)		(27,419)	
Net cash outflow for capital expenditure and financial investment		(573,113)		(27,419)
Increase in cash for the year		<u>457,210</u>		<u>60,236</u>

Notes to the Group Cash Flow Statement

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

	2014 £	2013 £
Net incoming resources	827,974	188,398
Depreciation	149,753	152,702
Decrease / (increase) in stocks	5,886	(1,096)
Increase in debtors	(57,050)	(306,202)
Increase in creditors	78,001	14,828
Net cash inflow from operating activities	<u>1,004,564</u>	<u>48,630</u>

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

	2014 £	2013 £
Balance at 1st April	2,484,039	2,423,803
Increase in cash and cash equivalents	<u>457,210</u>	<u>60,236</u>
Balance at 31st March	<u>2,941,249</u>	<u>2,484,039</u>

**Notes forming part of the financial statements
for the year ended 31 March 2014**

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 fund 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.

**Notes forming part of the financial statements
for the year ended 31 March 2014**

(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
Furniture, equipment and medical equipment	over 5 years
Telephones	over 5 years
Computer equipment	over 4 years
Motor vehicles	over 4 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:

	2014 £	2013 £
Gross incoming resources	4,036,218	3,065,121
Total expenditure on charitable activities	(2,643,295)	(2,372,737)
Fundraising costs	(507,024)	(436,980)
Governance costs	(32,166)	(27,981)
Net incoming resources	853,733	227,423
Total funds brought forward	4,869,928	4,642,505
Total funds carried forward	5,723,661	4,869,928
Represented by:		
Restricted income funds	83,997	66,889
Unrestricted income funds	5,639,664	4,803,039
	5,723,661	4,869,928

3 Donations and gifts

	Unrestricted Funds £	Restricted Funds £	2014 £	2013 £
Individuals	422,826	250	423,076	370,788
Appeals	60,947	-	60,947	32,186
Charitable Trusts	89,682	94,101	183,783	177,047
Community	197,632	-	197,632	207,819
Corporate	125,087	-	125,087	123,390
Donations from retail Gift Aid scheme	287,759	-	287,759	217,013
Retail Gift Aid	71,945	-	71,945	54,253
Gifts in kind	2,778	-	2,778	-
	1,258,656	94,351	1,353,007	1,182,496

Gifts in kind comprise the donation of equipment. A corresponding amount is included within fixed assets.

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2014

4 Legacies

In addition to legacies received during the year, the Charity is the beneficiary of further legacies which have not been included in the financial statements, as there is no certainty that they 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.

	2014 £	2013 £
Income	13,911	16,652
Fundraising expenditure	(283)	(507)
Net income	<u>13,628</u>	<u>16,145</u>
Amount remitted to St Clare West Essex Hospice Care Trust	<u>14,485</u>	<u>16,824</u>
Decrease in retained funds	(857)	(679)
Friends branch funds brought forward	1,972	2,651
Balance at 31 March	<u><u>1,115</u></u>	<u><u>1,972</u></u>

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	2014 £	2013 £
Profit and loss account		
Turnover	1,216,771	1,296,414
Cost of sales & administration expenses	(866,076)	(884,894)
Rent payable to St Clare West Essex Hospice Care Trust	(5,000)	(5,000)
Net profit	<u><u>345,695</u></u>	<u><u>406,520</u></u>
Amount gift-aided to the Charity	345,695	406,520
Retained in subsidiary	<u><u>-</u></u>	<u><u>-</u></u>
	<u><u>345,695</u></u>	<u><u>406,520</u></u>

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

Assets	540,819	372,969
Liabilities	(532,061)	(364,211)
Funds	<u><u>8,758</u></u>	<u><u>8,758</u></u>

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2014

7 Incoming resources from charitable activities

	2014 £	2013 £
NHS West Essex - CCG		
Service Level Agreement	867,595	745,625
NHS Hertfordshire - CCG		
Service Level Agreement	41,704	41,647
NHS Pension reimbursement	60,500	60,500
Reimbursement of share of consultant costs	74,934	65,499
Department of Health Capital Grant (restricted income)	472,098	-
Research & development (restricted income)	9,162	8,233
	<u>1,525,993</u>	<u>921,504</u>

8 Costs of generating funds

	Direct costs £	Support costs (note 11) £	Total 2014 £	Total 2013 £
Costs of generating voluntary income	411,208	95,533	506,741	436,473
Friends of St Clare branches	283	-	283	507
Trading Company expenses	866,076	-	866,076	884,894
	<u>1,277,567</u>	<u>95,533</u>	<u>1,373,100</u>	<u>1,321,874</u>

9 Patient care

	Direct costs £	Support costs (note 11) £	Total 2014 £	Total 2013 £
Inpatient unit	1,031,618	504,742	1,536,360	1,389,798
Day Therapy and Outpatients	251,534	176,672	428,206	400,903
Community service	385,026	66,437	451,463	451,181
Hospice at Home	59,605	56,109	115,714	-
Patient and Family Support	77,581	27,479	105,060	126,417
	<u>1,805,364</u>	<u>831,439</u>	<u>2,636,803</u>	<u>2,368,299</u>

10 Governance

	Direct costs £	Support costs (note 11) £	Total 2014 £	Total 2013 £
Audit	6,540	-	6,540	6,048
Trustee indemnity insurance	1,500	-	1,500	1,500
Other	1,134	22,992	24,126	20,433
	<u>9,174</u>	<u>22,992</u>	<u>32,166</u>	<u>27,981</u>

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2014

11 Support costs

(a) Overall support costs

					Total	Total
	Basis of allocation	Patient Care (see below)	Fundraising	Governance	2014	2013
					£	£
Management and HR	Staff Time	127,880	15,407	10,785	154,072	115,828
Insurance and other costs	Floor space	10,784	568	-	11,352	11,696
Volunteer services	Usage	32,445	3,605	-	36,050	32,053
Premises and facilities	Floor space	239,993	12,631	-	252,624	237,363
Catering and cleaning	Staff Time	124,976	5,207	-	130,183	127,670
Communications	Staff Time	60,781	15,195	-	75,976	69,673
I T	Staff Time	90,088	15,381	4,395	109,864	104,100
Office costs	Staff Time	127,400	25,480	6,370	159,250	143,569
Legal fees	Usage	17,092	2,059	1,442	20,593	1,260
TOTALS		831,439	95,533	22,992	949,964	843,212

(b) Support costs - patient care activity

							Total	Total
	Basis of allocation	Inpatient unit	Day Therapy and Outpatients	Community Service	Hospice at Home	Patient and Family Support	2014	2013
							£	£
Management and HR	Staff Time	79,286	19,182	14,067	10,230	5,115	127,880	94,979
Insurance and other costs	Floor space	7,871	2,157	324	216	216	10,784	11,111
Volunteer services	Usage	11,356	18,169	-	2,271	649	32,445	28,848
Premises and facilities	Floor space	175,194	47,999	7,200	4,800	4,800	239,993	225,495
Catering and cleaning	Staff Time	89,982	26,245	2,500	2,500	3,749	124,976	122,563
Communications	Staff Time	26,744	15,803	9,117	6,078	3,039	60,781	55,738
I T	Staff Time	38,738	21,621	13,513	10,811	5,405	90,088	85,362
Office costs	Staff Time	64,974	22,932	17,836	17,836	3,822	127,400	116,291
Legal fees	Usage	10,597	2,564	1,880	1,367	684	17,092	-
TOTALS		504,742	176,672	66,437	56,109	27,479	831,439	740,387

12 Total resources expended

Resources expended includes

	2014	2013
	£	£
Depreciation	149,753	152,702
Auditors remuneration (including irrecoverable VAT)		
- Statutory audit	16,535	15,598
- Other services	-	250
Trustees indemnity insurance	1,500	1,500
Operating leases	166,070	174,332

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 2014

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 2013	2,845,602	468,538	3,314,140
Additions	454,148	118,965	573,113
Disposals	-	(71,442)	(71,442)
At 31 March 2014	<u>3,299,750</u>	<u>516,061</u>	<u>3,815,811</u>
Depreciation			
At 1 April 2013	811,766	348,824	1,160,590
Charge for year	95,734	54,019	149,753
Disposals	-	(71,442)	(71,442)
At 31 March 2014	<u>907,500</u>	<u>331,401</u>	<u>1,238,901</u>
 Net book value at 31 March 2014	 <u>2,392,250</u>	 <u>184,660</u>	 <u>2,576,910</u>
 Net book value at 31 March 2013	 <u>2,033,836</u>	 <u>119,714</u>	 <u>2,153,550</u>

Charity

	Freehold Land & Buildings £	Furniture & Equipment £	Total £
Cost			
At 1 April 2013	2,845,602	385,522	3,231,124
Additions	454,148	98,528	552,676
Disposals	-	(68,045)	(68,045)
At 31 March 2014	<u>3,299,750</u>	<u>416,005</u>	<u>3,715,755</u>
Depreciation			
At 1 April 2013	811,766	293,037	1,104,803
Charge for year	95,734	42,986	138,720
Disposals	-	(68,045)	(68,045)
At 31 March 2014	<u>907,500</u>	<u>267,978</u>	<u>1,175,478</u>
 Net book value at 31 March 2014	 <u>2,392,250</u>	 <u>148,027</u>	 <u>2,540,277</u>
 Net book value at 31 March 2013	 <u>2,033,836</u>	 <u>92,485</u>	 <u>2,126,321</u>

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2014

15 Fixed asset investments

	Charity	
	2014	2013
	£	£
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.

The Charity has taken advantage of the exemption in FRS 8 from disclosing related party transactions.

16 Debtors and prepayments

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
St Clare Hospice Trading Company Limited	-	-	424,336	283,459
HMRC - income tax recoverable	26,539	23,026	26,539	23,026
Accrued legacy income	324,339	270,000	324,339	270,000
Interest due	7,007	15,506	7,007	15,506
Prepayments and other debtors	143,896	136,624	91,871	36,247
	<u>501,781</u>	<u>445,156</u>	<u>874,092</u>	<u>628,238</u>

17 Creditors: amounts falling due within one year

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Interest free loans	2,500	2,500	2,500	2,500
Taxation, Social Security	58,526	55,154	58,526	55,154
Trade creditors	41,906	14,974	-	-
Other creditors	138,777	139,631	72,958	73,853
Accruals and deferred income	56,388	7,838	56,388	7,838
	<u>298,097</u>	<u>220,097</u>	<u>190,372</u>	<u>139,345</u>

Included in other creditors are pension contributions amounting to £25,059 (2013: £21,183).

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2014

18 Staff costs

	2014 £	2013 £
Salaries	2,452,503	2,239,357
Social security costs	197,271	181,765
Pension costs	182,159	168,515
	<u>2,831,933</u>	<u>2,589,637</u>

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

£60,001 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-
£110,001 - £120,000	1	1

During the year pension costs on behalf of these employees amounted to £28,610 (2013: £27,524).

For the highest paid employee, the Charity was reimbursed 50% of this cost from NHS West Essex CCG.

The average number of employees during the year was:

	2014	2013
Full time	53	47
Part time	45	43

19 Analysis of net assets between funds

	General Funds £	Designated Funds £	Restricted Funds £	Total Funds £
Fund balances at 31 March 2014 represented by:				
Tangible fixed assets	-	2,576,910	-	2,576,910
Current assets	3,369,183	-	83,997	3,453,180
Current liabilities	(298,097)	-	-	(298,097)
Total net assets	<u>3,071,086</u>	<u>2,576,910</u>	<u>83,997</u>	<u>5,731,993</u>

St Clare West Essex Hospice Care Trust

Notes forming part of the financial statements for the year ended 31 March 2014

20 Statement of funds

	At 1 April 2013 £	Incoming Resources £	Outgoing Resources £	Transfers £	At 31 March 2014 £
Unrestricted funds:					
General funds	2,658,245	4,326,259	(3,830,835)	(82,583)	3,071,086
Designated funds	2,153,550	-	(149,753)	573,113	2,576,910
	<u>4,811,795</u>	<u>4,326,259</u>	<u>(3,980,588)</u>	<u>490,530</u>	<u>5,647,996</u>
Restricted funds:					
Community Service fund	11,529	65,000	(61,231)	-	15,298
Day Therapy and IPU fund	-	29,351	(250)	(18,432)	10,669
Dept of Health Capital Grant	-	472,098	-	(472,098)	-
Education & Research fund	55,360	9,162	(6,492)	-	58,030
	<u>66,889</u>	<u>575,611</u>	<u>(67,973)</u>	<u>(490,530)</u>	<u>83,997</u>
Total funds	<u>4,878,684</u>	<u>4,901,870</u>	<u>(4,048,561)</u>	<u>-</u>	<u>5,731,993</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 and individuals to purchase equipment and fund other costs for these services. The transfer to designated funds relates to assets purchased and the restriction being fulfilled.

The Department of Health Capital Grant was awarded in April 2013 for the refurbishment of the Hospice building. The refurbishment project is now complete, therefore this restriction has now been fulfilled and the balance of the fund was transferred to general funds on 31 March 2014.

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

21 Future financial commitments

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

	2014 £	2014 £	2013 £	2013 £
	Other Land & Building		Other	Land & Building
Operating leases which expire:				
under one year	847	13,254	860	21,500
in the second to fifth year	18,877	83,500	20,350	88,501
after five years	-	-	-	-
	<u>19,724</u>	<u>96,754</u>	<u>21,210</u>	<u>110,001</u>