

COMPANY REGISTRATION NUMBER: 06792702
CHARITY REGISTRATION NUMBER: 1129631

East Coast Hospice Limited
Company Limited by Guarantee
Unaudited Financial Statements
31 March 2019

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East Coast Hospice Limited
Company Limited by Guarantee
Financial Statements
Year ended 31 March 2019

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East Coast Hospice Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 March 2019

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 March 2019.

Reference and administrative details

Registered charity name	East Coast Hospice Limited
Charity registration number	1129631
Company registration number	06792702
Principal office and registered office	Ground Floor Sussex Road Business Park , Sussex Road Gorleston Great Yarmouth Norfolk NR31 6PF
The trustees	Ms B Lowe Mrs J D Beesley Mr J R S Price Mrs M M Pretswell Mrs M R Chadd (Died 14 July 2018)
Company secretary	Mr J R S Price
Independent examiner	Henry Pettitt ACA CTA East Coast House Galahad Road, Beacon Park Gorleston Great Yarmouth Norfolk NR31 7RU

Structure, governance and management

East Coast Hospice Limited was incorporated on 15 January 2009 and is limited by guarantee and in the event of it being wound up members are required to contribute an amount not exceeding £10 each. The company was registered as a charity on 15 May 2009.

The company was established under a Memorandum and Articles of Association and is governed under its Articles of Association.

East Coast Hospice Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Structure, governance and management *(continued)*

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and they comply with the charity's governing document, the Charities Act 2011, and Accounting and Reporting by Charities : Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland SORP (FRS102).

East Coast Hospice Limited constantly reviews the need for new trustees and the skills of existing trustees to match them to the developing needs of the charity. Currently there is a mix of legal, accountancy, health and safety, medical and ex NHS management experience. When recruiting new trustees we look for professional people who are able to make the necessary commitment and understand the legal responsibilities of becoming a trustee. They are made aware of the legal obligations, the principles of good governance as well as the specific needs relating to a hospice charity. All our Trustees are registered with the Charity Commission and Companies House. There shall be no fewer than two trustees at any one time.

Objectives and activities

Public benefit

The Trustees have considered the Charity Commission's guidance on public benefit in pursuing its activities.

The project to build the Margaret Chadd House is the most important current development in East Norfolk & East Suffolk; this being the last area in the country without a hospice for adults. We have the highest cancer death statistics in the East of England and there is no price you can put on the quality of a 'good death'.

Great Yarmouth and Lowestoft have some of the highest statistics of deprivation in the country and research has shown that in areas of deprivation it can take twice as long to build and establish a hospice. These coastal towns have an exceptionally high number of retired elderly people, therefore requiring higher levels of these services of end-of-life care.

We all see in the media on a regular basis, the importance of choice. Choice is one of the greatest gifts any patient can receive, especially at the end of life. Without the choice to move from home to hospice at the end of life the alternative is an acute hospital ward. The benefit and importance of a hospice in its own grounds will be, therefore, a huge benefit to the local community (to patients and their families) for generations to come.

The Trustees objectives are to continue to raise funds and work towards providing a new ten bed hospice with day care facilities and other holistic provisions for the people in the Great Yarmouth and Waveney area, the only area in the country without an inpatient hospice.

East Coast Hospice Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Public Benefit *(continued)*

Following the completion of the purchase of the 5-acre site in September 2013, and the subsequent purchase of the final 2.54 acres of the same field, the Trust owns outright a beautiful 7.54-acre site with ample space for parking and any future extension of facilities. This extra piece of land had 'change of use' agreed and all the pre-commencement planning conditions have been discharged meaning that planning permission has been secured in perpetuity with initial groundworks completed of an access road and car-parking area

Trustees are mindful of the increasing necessity for the hospice to be built. The Trustees continue to push the charity's aims and objectives to its ultimate goal of completion of Margaret Chadd House.

The Trustees objectives are also to continue to expand our number of shops in surrounding areas in a measured and sustainable way to generate income for the long-term running of the Charity. In support of which a lottery has been set up for long-term revenues, and awareness of this needs to be expanded.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

Overall 2018/2019 has been a challenging year. It has been hard to continue to build the charity into a stable concern for now and in the future given the pressures faced by the charity.

The saddest part of the whole year is the loss of Margaret Chadd in July 2018. I cannot express nor ever will be able to, my deepest sorrow that we had not started to build before Margaret died. I miss her voice, her wisdom and understanding and at 96 years old, she was incredible. The void she has left does not seem to get any smaller, yet time does heal.

H.R. is still a big burden on any small business. The increase by the government of wages through the national living wage and pensions through increased auto enrolment contributions has put a great burden on small businesses and charities alike. We are not exempt from this, even belonging to the Small Business Federation does not make it any easier.

We need equipment to build up the shops which includes setting up eBay. I had no idea how many obstacles there are for a charity when setting up eBay! All of which we have now overcome. Our eBay site is improving and we are grateful for the special donations we receive for it.

The damage caused by the travellers that camped on our land last July was more destructive than could ever have been anticipated. The site was unbelievable both during and after their departure. We incurred hefty legal costs in order to rid the travellers from our land and remedial costs to return the land to its previous condition. The upkeep of our site increases as time goes by, we are grateful to GDC and their staff. Also, local businesses send their wonderful staff across to assist with the heavy work on the site.

East Coast Hospice Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Achievements and performance *(continued)*

Shop volunteers are essential to keep the shops running efficiently and in the year to 31 March 2019 a total of 21,989 unpaid hours (2018: 23,023) were generously given by the volunteers to our charity. The shops take a lot of intensive work and effort.

Donor Perfect, our CRM and Gift Aid software, is not always as cost effective as we would like with the changes in the taxes etc. On 1st April 2019 we invested further in the systems of the charity, transferring to Sage bookkeeping software. We are currently running this alongside our old system to ensure stability for a year before being able to reap the benefits in 2021.

IT support in today's world is imperative but costly. Equipment needs replacing/updating and staff need the correct tools to work with. The investment is essential to protect the information of our supporters and stakeholders, the importance of which is of upmost concern to the charity.

We regularly meet with the planners and archaeologist to ensure we are doing the job properly and adhering to protocol at all times. The team of Architects, Quantity Surveyors, Mechanical, Structural and Electrical Engineering etc. have all worked so hard. I still have 61 plans to work through in addition to looking at each Room Plan.

Working with the team gives a great understanding how vital this project is for all concerned, even down to having an electric car unit for the future, as we have all worked so hard to make us as eco-friendly as possible.

We have had a planting day where we planted over 400 more trees

All of the improvements and investment has been paid for as we have gone along. In part by the extensive cost savings generated by the work we have done in-house to produce our brochures and leaflets, which has saved us thousands of pounds.

Our website is being updated and a new one is being developed. We are truly grateful as this has always been done free of charge for us and continues to be so.

Many grants cannot be applied for until we are nearer our goal as they expire or will not be given. However, that has not stopped us preparing for them in readiness and these take a great deal of time which we have invested diligently.

We are delighted and overwhelmed with the support of regular meetings with the CCG, East Coast Community Health and St Helena's Hospice. We have had other constructive meetings with other health agencies.

The written support from the CCG and ECCH is something we have waited five years for. This is a huge step forwards. We are working with other agencies which is bearing fruit. It was a great relief when we received in writing confirmation from the CEO of the JPUH regarding the future of the Louise Hamilton Centre. There will be no beds ever and as such resources can be focused on our site as the only viable option to provide hospice care in the area.

East Coast Hospice Limited

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 March 2019

Financial review

During the accounting year the Trustees consider the income and expenditure and the balance sheet at the year-end satisfactory. Our budget continues to be reviewed regularly and we are submitting VAT and Gift-Aid claims on a quarterly basis which benefits the charity by allowing us to keep a tighter control of our financial position.

The Company continues to limit its exposure to economic loss by holding funds in accounts with a variety of financial providers. The Charity has 'Designated Funds' and 'Restricted Funds', and both these funds are held strictly for the provision of the hospice. During the accounts year the Trustees agreed that £65,132 could be transferred to (2018: £6,032 transferred from) the 'Designated Funds' from General Funds.

At 31 March 2019 the 'Designated Funds' amounted to £795,064 (2018: £729,932), and the 'Restricted Funds' amounted to £107,336 (2018: £106,449).

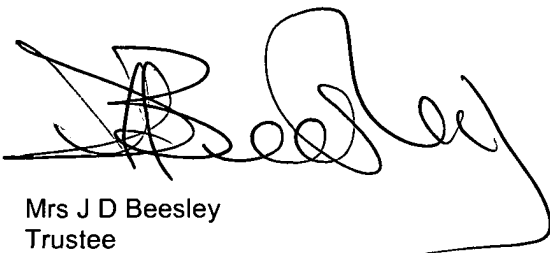
At 31 March 2019 funds held as General Funds are £NIL (2018: £NIL).

Plans for future periods

The Trustees are consolidating the Charity's position with the shops with a view to increasing their number in the future. We are continuing to apply for major capital grants, locally and nationally, which take a considerable amount of time and effort. Some capital grants have already been pledged totalling £100,000 (2018: £100,000). We have also continued to receive generous legacies from the public.

We still need to increase our volunteers as they are an integral part of the Charity moving forward. We need to build on our lottery, shops and fundraising and local awareness even more, and we need to work with the local media to try and get a more equitable view in the public eye.

The trustees' annual report and the strategic report were approved on 2 December 2019 and signed on behalf of the board of trustees by:

A handwritten signature in black ink, appearing to read 'J D Beesley', with a long horizontal line extending to the right.

Mrs J D Beesley
Trustee

East Coast Hospice Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of East Coast Hospice Limited

Year ended 31 March 2019

I report to the trustees on my examination of the financial statements of East Coast Hospice Limited ('the charity') for the year ended 31 March 2019.

Responsibilities and basis of report

As the trustees of charitable company you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the charitable company are not required to be audited under Part 16 of the Act and are eligible for independent examination, I report in respect of my examination of the charitable company's financial statements carried out under section 145 of the Charities Act 2011 ('the 2011 Act') and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

An independent examination does not involve gathering all the evidence that would be required in an audit and consequently does not cover all the matters that an auditor considers in giving their opinion on the financial statements. The planning and conduct of an audit goes beyond the limited assurance that an independent examination can provide. Consequently, I express no opinion as to whether the financial statements present a 'true and fair' view and my report is limited to those specific matters set out in the independent examiner's statement.

Independent examiner's statement

Since the charity's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Institute of Chartered Accountants in England and Wales (ICAEW), which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
2. the financial statements do not accord with those records; or
3. the financial statements do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair' view which is not a matter considered as part of an independent examination; or
4. the financial statements have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

East Coast Hospice Limited

Company Limited by Guarantee

Independent Examiner's Report to the Trustees of East Coast Hospice Limited *(continued)*

Year ended 31 March 2019

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Henry Pettitt ACA CTA
Independent Examiner

East Coast House
Galahad Road, Beacon Park
Gorleston
Great Yarmouth
Norfolk
NR31 7RU

2 December 2019

East Coast Hospice Limited

Company Limited by Guarantee

Statement of Financial Activities (including income and expenditure account)

Year ended 31 March 2019

		2019			2018
	Note	Unrestricted funds £	Restricted funds £	Endowment funds £	Total funds £
Income and endowments					
Donations and legacies	5	188,695	887	—	189,582
Other trading activities	6	590,706	—	—	590,706
Investment income	7	9,144	—	—	9,144
Total income		<u>788,545</u>	<u>887</u>	<u>—</u>	<u>789,432</u>
Expenditure					
Expenditure on raising funds:					
Costs of raising donations and legacies	8	49,956	—	—	49,956
Costs of other trading activities	9	548,621	—	—	548,621
Expenditure on charitable activities	10,11	124,836	—	—	124,836
Total expenditure		<u>723,413</u>	<u>—</u>	<u>—</u>	<u>723,413</u>
Net income/(expenditure) and net movement in funds		<u>65,132</u>	<u>887</u>	<u>—</u>	<u>66,019</u>
Reconciliation of funds					
Total funds brought forward		729,932	106,449	1,745,496	2,581,877
Total funds carried forward		<u>795,064</u>	<u>107,336</u>	<u>1,745,496</u>	<u>2,647,896</u>

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 12 to 22 form part of these financial statements.

East Coast Hospice Limited

Company Limited by Guarantee

Statement of Financial Position

31 March 2019

	Note	2019 £	£	2018 £	£
Fixed assets					
Tangible fixed assets	16		2,200,935		2,130,275
Investment Property	17		165,000		165,000
			<u>2,365,935</u>		<u>2,295,275</u>
Current assets					
Debtors	18	50,986		38,718	
Cash at bank and in hand		299,924		281,006	
		<u>350,910</u>		<u>319,724</u>	
Creditors: amounts falling due within one year	19	68,949		33,122	
Net current assets			<u>281,961</u>		<u>286,602</u>
Total assets less current liabilities			<u>2,647,896</u>		<u>2,581,877</u>
Net assets			<u>2,647,896</u>		<u>2,581,877</u>
Funds of the charity					
Endowment funds			1,745,496		1,745,496
Restricted funds			107,336		106,449
Unrestricted funds			795,064		729,932
Total charity funds	21		<u>2,647,896</u>		<u>2,581,877</u>

For the year ending 31 March 2019 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The statement of financial position
continues on the following page.

The notes on pages 12 to 22 form part of these financial statements.

East Coast Hospice Limited

Company Limited by Guarantee

Statement of Financial Position *(continued)*

31 March 2019

These financial statements were approved by the board of trustees and authorised for issue on 2 December 2019 and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'J D Beesley', with a large, stylized initial 'J' and a long, sweeping underline.

Mrs J D Beesley
Trustee

The notes on pages 12 to 22 form part of these financial statements.

East Coast Hospice Limited

Company Limited by Guarantee

Statement of Cash Flows

Year ended 31 March 2019

	2019 £	2018 £
Cash flows from operating activities		
Net income/(expenditure)	66,019	(43,114)
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	7,950	5,321
Rents receivable	(8,700)	(6,759)
Other interest receivable and similar income	(444)	(691)
Bank charges	5,594	3,057
Accrued expenses/(income)	7,957	(1,886)
<i>Changes in:</i>		
Trade and other debtors	(12,268)	17,864
Trade and other creditors	27,870	16,578
Cash generated from operations	93,978	(9,630)
Bank charges	(5,594)	(3,057)
Interest received	444	691
Net cash from/(used in) operating activities	88,828	(11,996)
Cash flows from investing activities		
Rents receivable	8,700	6,759
Purchase of tangible assets	(78,610)	(63,882)
Net cash used in investing activities	(69,910)	(57,123)
Net increase/(decrease) in cash and cash equivalents	18,918	(69,119)
Cash and cash equivalents at beginning of year	281,006	350,125
Cash and cash equivalents at end of year	299,924	281,006

The notes on pages 12 to 22 form part of these financial statements.

East Coast Hospice Limited
Company Limited by Guarantee
Notes to the Financial Statements
Year ended 31 March 2019

1. General information

The charity is a public benefit entity and a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Ground Floor, Sussex Road Business Park, Sussex Road, Gorleston, Great Yarmouth, Norfolk, NR31 6PF.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS102, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (Charities SORP (FRS102)), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The financial statements are prepared in sterling, which is the functional currency of the entity, and are rounded to the nearest pound.

Going concern

There are no material uncertainties about the charity's ability to continue.

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.

Judgements and key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

- The rate of depreciation used in the accounts reflects the actual useful economic life of fixed assets, thus giving a reasonable carrying value of assets on the balance sheet.

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

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

Motor vehicles	- 10% reducing balance
Equipment	- 15% straight line

Land is not depreciated which is contrary to the companies Act 2006, because the Trustees consider the useful economic life of the land to be infinite and should not depreciate in value.

Investment property

Investment property is initially recorded at cost, which includes purchase price and any directly attributable expenditure. Investment property is revalued to its fair value at each reporting date and any changes in fair value are recognised in profit or loss. If a reliable measure of fair value is no longer available without undue cost or effort for an item of investment property, it shall be transferred to tangible assets and treated as such until it is expected that fair value will be reliably measurable on an on-going basis.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Impairment of fixed assets *(continued)*

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

3. Accounting policies *(continued)*

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

4. Limited by guarantee

The charity is a company limited by guarantee and does not have share capital. In the event that the company is wound up, the liability of each member is limited to £10.

5. Donations and legacies

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Donations			
Donations	188,695	887	189,582

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Donations			
Donations	25,422	9,916	35,338

6. Other trading activities

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £
Fundraising events	42,908	–	42,908
Shop income	547,798	–	547,798
	590,706	–	590,706

	Unrestricted Funds £	Restricted Funds £	Total Funds 2018 £
Fundraising events	25,865	9,812	35,677
Shop income	442,692	–	442,692
	468,557	9,812	478,369

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

7. Investment income

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
Rents receivable	8,700	8,700	6,759	6,759
Bank interest receivable	444	444	691	691
	<u>9,144</u>	<u>9,144</u>	<u>7,450</u>	<u>7,450</u>

8. Costs of raising donations and legacies

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
Wages	45,850	45,850	65,743	65,743
Social security	3,272	3,272	5,426	5,426
Pension costs	834	834	360	360
	<u>49,956</u>	<u>49,956</u>	<u>71,529</u>	<u>71,529</u>

9. Costs of other trading activities

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
Shop costs	70,833	70,833	61,119	61,119
Wages	296,664	296,664	203,791	203,791
Social security	14,372	14,372	11,520	11,520
Pension costs	3,173	3,173	1,328	1,328
Other operating leases	157,558	157,558	123,854	123,854
Event expenses	6,021	6,021	4,161	4,161
	<u>548,621</u>	<u>548,621</u>	<u>405,773</u>	<u>405,773</u>

10. Expenditure on charitable activities by fund type

	Unrestricted Funds	Total Funds 2019	Unrestricted Funds	Total Funds 2018
	£	£	£	£
Support costs	124,836	124,836	86,969	86,969

11. Expenditure on charitable activities by activity type

	Support costs	Total funds 2019	Total fund 2018
	£	£	£
Payroll, office and depreciation	100,933	100,933	78,354
Financial costs	5,594	5,594	3,057
Governance costs	18,309	18,309	5,558
	<u>124,836</u>	<u>124,836</u>	<u>86,969</u>

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation of tangible fixed assets	7,950	5,321
Operating lease rentals	<u>157,558</u>	<u>123,854</u>

13. Independent examination fees

	2019	2018
	£	£
Fees payable to the independent examiner for: Independent examination of the financial statements	<u>1,500</u>	<u>1,500</u>

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2019	2018
	£	£
Wages and salaries	409,493	317,439
Social security costs	22,915	20,480
Employer contributions to pension plans	<u>5,111</u>	<u>1,925</u>
	<u>437,519</u>	<u>339,844</u>

In addition to paid staff, a number of volunteers gave their services for free during the year to assist in the shop running and other duties, and in total 21,989 (2018: 23,023) volunteer hours were given to the charity.

The average head count of employees during the year was 27 (2018: 21). The average number of full-time equivalent employees during the year is analysed as follows:

	2019	2018
	No.	No.
Administration and management	3	3
Fundraising and marketing	3	3
Retail management	<u>21</u>	<u>15</u>
	<u>27</u>	<u>21</u>

No employee received employee benefits of more than £60,000 during the year (2018: Nil).

15. Trustee remuneration and expenses

- No remuneration or other benefits from employment with the charity or a related entity were received by the trustees for the year ended 31 March 2019 nor the prior year to 31 March 2018.
- No trustees' expenses have been paid in the year ended 31 March 2019 nor in the prior year to 31 March 2018.

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

16. Tangible fixed assets

	Freehold land £	Motor vehicles £	Equipment £	Total £
Cost or valuation				
At 1 April 2018	2,096,874	19,000	44,473	2,160,347
Additions	49,627	–	28,983	78,610
At 31 March 2019	2,146,501	19,000	73,456	2,238,957
Depreciation				
At 1 April 2018	–	5,727	24,345	30,072
Charge for the year	–	1,327	6,623	7,950
At 31 March 2019	–	7,054	30,968	38,022
Carrying amount				
At 31 March 2019	2,146,501	11,946	42,488	2,200,935
At 31 March 2018	2,096,874	13,273	20,128	2,130,275

Tangible fixed assets held at valuation

The freehold land was revalued on a market value basis on 9 June 2016 by O A Chapman & Son, Chartered Surveyors. The trustees still consider this to be a fair value of the freehold land at the accounts date. The land was donated by legacy at an original value of £259,504.

17. Investment property

	Investment properties £
Cost or valuation	
At 1 April 2018 and 31 March 2019	165,000
Impairment	
At 1 April 2018 and 31 March 2019	
Carrying amount	
At 31 March 2019	165,000
At 31 March 2018	165,000

All investments shown above are held at valuation.

Investment properties

Valuation

Investment property was valued on a market value basis on 9 June 2016 by O A Chapman and Son, Chartered Surveyors. The trustees consider this still to be a fair value of the property at the accounts date. The property was originally donated to the charity by legacy.

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

18. Debtors

	2019	2018
	£	£
Trade debtors	2,600	117
Prepayments and accrued income	31,699	24,811
Other debtors	16,687	13,790
	<u>50,986</u>	<u>38,718</u>

19. Creditors: amounts falling due within one year

	2019	2018
	£	£
Trade creditors	44,129	16,253
Accruals and deferred income	18,046	10,089
Social security and other taxes	6,774	6,780
	<u>68,949</u>	<u>33,122</u>

20. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £5,111 (2018: £1,925).

21. Analysis of charitable funds

Unrestricted funds

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
General funds	–	788,545	(723,413)	(65,132)	–
Designated funds	729,932	–	–	65,132	795,064
	<u>729,932</u>	<u>788,545</u>	<u>(723,413)</u>	<u>–</u>	<u>795,064</u>

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
General funds	56,810	501,429	(564,271)	6,032	–
Designated funds	735,964	–	–	(6,032)	729,932
	<u>792,774</u>	<u>501,429</u>	<u>(564,271)</u>	<u>–</u>	<u>729,932</u>

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Financial Statements *(continued)*

Year ended 31 March 2019

21. Analysis of charitable funds *(continued)*

Restricted funds

	At 1 April 2018	Income	Expenditure	Transfers	At 31 March 2019
	£	£	£	£	£
Restricted funds	<u>106,449</u>	<u>887</u>	<u>—</u>	<u>—</u>	<u>107,336</u>

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 2018
	£	£	£	£	£
Restricted funds	<u>86,721</u>	<u>19,728</u>	<u>—</u>	<u>—</u>	<u>106,449</u>

Endowment funds

	At 1 April 2018	Income	Expenditure	Transfers	At 31 March 2019
	£	£	£	£	£
Endowment funds	<u>1,745,496</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,745,496</u>

	At 1 April 2017	Income	Expenditure	Transfers	At 31 March 2018
	£	£	£	£	£
Endowment funds	<u>1,745,496</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,745,496</u>

The Trustees have created a designated fund within unrestricted funds which is in addition to the restricted funds received. The designated fund has increased by £65,132 (2018: decreased by £6,032) during the year, and the year end balance was £795,064 (2018: £729,232). Both the designated fund and restricted fund are strictly to be used towards the building of a hospice and fitting out rooms.

East Coast Hospice Limited

Company Limited by Guarantee

Notes to the Detailed Statement of Financial Activities *(continued)*

Year ended 31 March 2019

			2019 £	2018 £
22. Analysis of net assets between funds				
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2019 £
Tangible fixed assets	348,103	107,336	1,745,496	2,200,935
Investments	165,000	—	—	165,000
Current assets	350,910	—	—	350,910
Creditors less than 1 year	(68,949)	—	—	(68,949)
Net assets	<u>795,064</u>	<u>107,336</u>	<u>1,745,496</u>	<u>2,647,896</u>
	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	Total Funds 2018 £
Tangible fixed assets	278,330	106,449	1,745,496	2,130,275
Investments	165,000	—	—	165,000
Current assets	319,724	—	—	319,724
Creditors less than 1 year	(33,122)	—	—	(33,122)
Net assets	<u>729,932</u>	<u>106,449</u>	<u>1,745,496</u>	<u>2,581,877</u>

23. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Not later than 1 year	130,576	108,186
Later than 1 year and not later than 5 years	350,273	191,063
Later than 5 years	79,200	8,800
	560,049	308,049

24. Related parties

During the year the charity paid £6,000 (2018: £6,000) to Mr P K Williams (Partner of Ms B Lowe - Trustee) for the rental of one of the charity's shops. The trustees recognise this to be a favourable and less than market rent which has remained unchanged for 7 years.