

Company registration number : 1748046

**St Nicholas Hospice (Suffolk)**  
**(A company limited by guarantee and**  
**not having a share capital)**

Annual Report and Financial Statements

Year Ended 31 March 2015

## ST NICHOLAS' HOSPICE (SUFFOLK)

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## ST NICHOLAS HOSPICE (SUFFOLK)

### Trustees report for the year ended 31 March 2015

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#### TRUSTEES AND ADVISERS

##### Board of Trustees

The Revd Canon R Norburn MBE <sup>3</sup>	Life President
Mr A. Williams CBE	Chairman
Mr D. Barclay <sup>1 5 6</sup>	Honorary Treasurer
Mrs S. Hayter <sup>3</sup>	Vice Chair
Mr P. Marchant <sup>1 5 6</sup>	
Mrs B. Martineau <sup>4</sup>	
Dr. E. Wallace <sup>3</sup>	
Mrs M. Miles <sup>2</sup>	
Revd Canon M. Vernon	
Ms L. Macklin <sup>2 6</sup>	
Mr M. Leith <sup>2 3</sup>	
Mr I. Morgan <sup>4 6</sup>	
Mr C. Simpson <sup>1</sup>	Appointed 26 March 2015

##### Secretary and registered/principal office

Julie Roy  
Macmillan Way, Hardwick Lane, Bury St Edmunds, Suffolk, IP33 2QY

##### Chief Executive

Barbara Gale

##### Senior Management

Kevin Clements – Fundraising and Marketing Director  
Jane Doughty – Human Resources Director  
Julie Roy – Finance Director and Deputy Chief Executive  
Jacqueline Saunders – Clinical Services Director

##### Auditors

Baker Tilly UK Audit LLP, Abbotsgate House, Hollow Road, Bury St Edmunds, Suffolk, IP32 7FA

##### Solicitors

Gross & Co, 84 Guildhall Street, Bury St Edmunds, Suffolk, IP33 1PR

##### Bankers

Barclays Bank plc, 20/21 Cornhill, Bury St Edmunds IP33 1DY

##### Investment managers

Rathbones Investment Management Limited, 159 New Bond Street, London, W1S 2UD  
Standard Life Wealth, 30 St Mary Axe, London, EC3A 8EP

**Registered Charity number** 287773

**Registered Charity name:** St Nicholas Hospice (Suffolk)

**Other name used:** St Nicholas Hospice Care

**Company number** 1748046

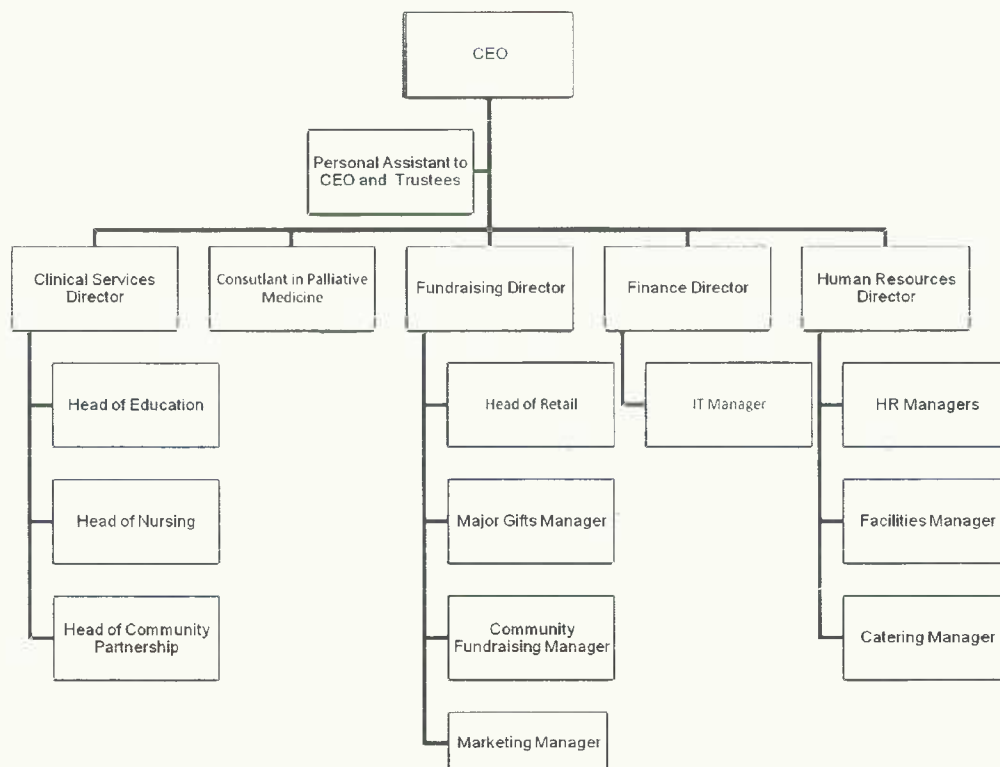
<sup>1</sup> Finance and Investment Committee member   <sup>2</sup> Personnel Committee member   <sup>3</sup> Clinical Committee member  
<sup>4</sup> Fundraising and Marketing Committee member   <sup>5</sup> Director of St Nicholas Hospice Trading Ltd   <sup>6</sup> Retail Committee member

## Trustees' Report

The Board of Trustees present their annual report on the affairs of the charitable company, together with the financial statements for the year ended 31 March 2015. This report will be sent to the Department of Health as the organisation's Quality Report in compliance with the Health Act 2009.

## Structure, governance and management

### Organisational structure



### Management and decision-making

The Charity is a company limited by guarantee and is governed, under its memorandum and articles of association, through a 57 strong membership association made up from persons in the community served. The Association in turn appoints and monitors the performance of the Trustees. It delegates the effective Governance of the Charity to the Board of Trustees and receives reports at least once per annum. The full Board of Trustees meets 10 times each year and has an annual meeting to review strategy and direction.

### Register of members

The register of members is available for inspection free of charge, at the registered office of the charitable company.

## Structure, governance and management (continued)

### Our workforce and management structure

The management and leadership of the Hospice is led by the Chief Executive who chairs a weekly Directorate meeting with the Clinical Services, Fundraising and Marketing, Finance, and Human Resources Directors. The Directorate meets regularly with the Operational Managers' Forum to ensure good cross organisation planning and management. The Chief Executive meets formally with the Chairman of the Board of Trustees and /or Vice Chairman at least twice a month.

On 31 March 2015 the Charity employed 151 staff – including 13 fixed term employees (this equates to 122.5 full time equivalents), over half of whom were part-time, and 688 formal volunteers.

### Board of Trustees Committees

The Board has five Committees with specific terms of reference and functions delegated by the Board and with a Trustee as chairman appointed by the Board - Finance and Investment Committee, Clinical Committee, Personnel Committee, Fundraising and Marketing Committee and Retail Committee. These Committees include co-opted members with relevant experience from the Association and the majority of Trustees aside from the Chair serves on at least one Sub Committee. The meetings are attended by the Chief Executive and relevant Director, other Directors attend when requested.

The Committees review directorate KPIs, monitor risk, incidents, complaints, health and safety and manager's recommendations for developments. The Chair of each Committee reports back to the Board about matters discussed at each meeting.

1. **The Finance and Investment Committee** oversees all financial aspects of the Charity's activities. It reviews the budget and monitors performance against it. It also considers the appointment, resignation or dismissal of the external auditors and approves their annual fee. The meetings are attended by the Chief Executive, and the Finance Director.  
The committee reviews the:
  - Charity's investment strategy and monitors investment performance
  - Audited financial statements of the Charity and recommends them to the Board
  - Reports from the external auditors and monitors management actions to implement recommendations made in reports from the auditors.
2. **The Clinical Committee** oversees all clinical matters with particular reference to palliative care standards and medicines management. The meetings are attended by the Chief Executive, the Clinical Services Director and the Consultant in Palliative Medicine.
3. **The Personnel Committee** reviews and monitors remuneration and employment policy and recommends to the Board of Trustees the annual employee percentage salary increase. The meetings are attended by the Chief Executive and the Human Resource Director.
4. **The Fundraising and Marketing Committee** oversees fundraising and marketing strategy, policy and performance and reports its findings and recommendations to the Board. The meetings are attended by the Chief Executive and the Fundraising and Marketing Director.
5. **The Retail Committee** oversees the strategy, policy and performance of the retail operation and reports its findings and recommendations to the Board. The meetings are attended by the Chief Executive, Fundraising and Marketing Director, Finance Director and Head of Retail. Two trustee members are also Directors of St Nicholas Hospice Trading Ltd.

## **ST NICHOLAS HOSPICE (SUFFOLK)**

**Trustees report for the year ended 31 March 2015**

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### **Structure, governance and management (continued)**

The Board of Trustees fulfil their key role and function in overseeing and directing the affairs of the Charity, ensuring that it is well run and delivering the charitable outcomes for which it is established. The above committees are part of that process. The day-to-day running of the Hospice is entrusted to the Chief Executive who delegates that work through the Directorate and Management Team to the staff and volunteers deployed across the charity's services.

#### **Trustee recruitment and induction**

All current Board members have been appointed to the Board of Trustees on the basis of their experience, expertise, and community involvement and for their commitment to and passion for the work of St Nicholas Hospice (Suffolk) and the hospice movement in general. All appointments to the Board are confirmed by the Association at its AGM.

The Board Chairman and Committee Chairs oversee the process of succession planning, recruitment and induction of Trustees and recruitment of Association Members serving on the Board Committees and will also meet with all prospective Trustees. Their work will include an ongoing skills audit and looking at different methods of recruitment.

As part of their induction, Trustees are given access to the secure area of the Hospice website which hosts introductory papers including: planning and financial documents, national guidance about being a Trustee and information relevant to the Hospice. They will see the work of the charity first hand and be given ample opportunity to engage with the Charity's activities, services, staff and volunteers – and with service users as appropriate. Prospective Trustees will normally attend at least one Trustee meeting, before being asked to enter the formal processes of application and acceptance. Once approved new Trustees will usually identify particular areas of interest and will especially spend time in those areas.

#### **Trustees**

The Board of Trustees is made up of between no less than 7 and no more than 12 Trustees (excluding the Life President).

In accordance with the Charity's Articles of Association, which state that a third of the Board of Trustees retire by rotation, the following Trustees, being eligible, have been invited to offer themselves for re-election at the next annual general meeting:

Dr. E Wallace      Mr. D Barclay      Mrs. S Hayter      Mrs. M Miles

For the purposes of the Companies Act 2006 members of the Board of Trustees are deemed to be the Directors. However the Charity has a number of senior employees with the title of Director who are not Directors within the meaning of the Companies Act 2006.

#### **Risk and internal control**

The Trustees have overall responsibility for ensuring that the Charity has an appropriate system of controls, financial and otherwise.

Trustees are also responsible for safeguarding the assets of the Charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide assurance that:

- Its assets are safeguarded against unauthorised use or disposition
- Proper records are maintained and financial information used within the Charity, or for publication, is reliable

## ST NICHOLAS HOSPICE (SUFFOLK)

### Trustees report for the year ended 31 March 2015

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#### Structure, governance and management (continued)

- The Charity complies with relevant laws and regulations.

As part of the Charity's risk management process the Trustees acknowledge their responsibility for the Charity's system of internal control and reviewing its effectiveness. The Trustees recognise that such a system is designed to manage rather than eliminate the risk of failure to achieve the Charity's objectives and can only provide reasonable, not absolute, reassurance against material misstatement or loss.

The system of financial controls designed to mitigate risk include a three year strategic plan, an annual operational plan, an annual budget and regular updated forecasts including cash flow. Regular scrutiny is given by the Trustees to monitoring actual performance against the budget and forecasts and to the formal delegation of authority to spend within clearly defined authorisation limits.

#### Risk management

This year the Hospice continued to focus on continually trying to improve its health and safety across the whole organisation.

	2014-2015	2013-2014
Incidents reported	185	200
Incidents where a person was harmed	65	80

The number of incidents reported has decreased and the number of incidents that involved harm has decreased. Not all of the incidents are related to physical harm, some are related to emotional distress. As many of the patients on the ward are frail, yet striving to maintain independence, falls can at times be a risk. The Hospice has falls guidance to improve care for patients. There was one reportable infection and one serious incident during the year. Page 20 includes further details.

#### Complaints

All complaints or comments about the service provided are taken very seriously by the Hospice. Complaints are dealt with in line with the Complaints Policy and are fully investigated. All complaints are reported to the Board of Trustees.

Of the 27 complaints received this year, 11 related to clinical services, 7 to retail, 2 to fundraising and 7 were general. 5 resulted in a major investigation and further actions included an apology to a family regarding discussions that were had with them, guidance for staff, improved clarity about transfer between hospice and hospital and revision of pay procedures.

All other complaints were dealt with by either the member of staff at the time or their manager. All complaints are on the agenda at every Board of Trustees meeting.

#### Charitable Activities

The Charity's purposes as set out in the objectives contained in the company's memorandum of association are to:

*"promote the relief of persons of either gender, without regard to either race or creed, while suffering from any terminal or life-threatening illness, or from any disability or disease, attributable to old age or from any other physical or mental infirmity, disability or disease, in such ways as the charity shall from time to time think fit."*

All our services are provided free to patients, clients and their families.

### Charitable Activities (continued)

By constant review over the years this has been developed so the Charity's purposes are to:

- Benefit people who are suffering in the final chapters of life
- Benefit the families of those who are affected, during illness and bereavement
- Enhance the role of the local community in supporting those facing the final chapters of their life

#### Our Values:

Leadership, Developing, Communication, Respect, Teamwork, Equality, Quality, Learning, Resilience and Integrity.

### Ensuring the Charity's work delivers its' objectives

The Charity reviews its objectives and activities annually, identifying achievements and outcomes. Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims and objectives and in planning future activities. In particular, the Trustees considered how all planned activities will contribute to the aims and objectives they have set.

This year we revised our vision statement to be:

***"For everyone to have the very best experiences in the final chapters of their life"***

To achieve this vision for our community and meet the future demographic changes our strategy of being a community focused hospice has three interconnected elements:

1. Community Partnership - helping more people access end of life care in their own homes and communities
2. Clinical Care - improving access to specialist clinical care
3. Education - helping people to be more confident in caring for dying people and their families.

As part of this strategy we appointed a Head of Community Services and opened our first outreach centre in Haverhill, Suffolk and worked closely with West Suffolk Clinical Commissioning Group to increase our teaching in care homes.

The clinical services are delivered by a clinical team led by a Clinical Services Director and a Consultant in Palliative Medicine. The Clinical Services Director is also the Registered Manager, Caldicott Guardian and Accountable Officer (for Controlled Drugs).

The clinical team comprises of professionals proficient in palliative care - doctors, registered nurses, care assistants, a chaplain, occupational therapists, physiotherapists, complementary therapists, social workers, counsellors and a psychological therapist; all work across all venues of care. Following holistic assessment, programmes of care or support are created in partnership with the patient/client to meet their individual requirements.

85% of the people the Hospice is in contact with are at home; they range from the quite stable, right through to the very ill.

The Hospice provides the following services to the local community:

1. Direct care and support to patients families and the bereaved via an open referral system
2. Palliative care and bereavement advice, information and informal support to lay and professional people in the community
3. Palliative care and bereavement education to lay and professional people in the community.

## **Charitable Activities (continued)**

### **1. Direct care and support** includes:

- The multi-disciplinary Community Hospice Service. Staff visit people in their own homes or in other settings – including care homes, community hospitals, prisons or those with no home.
- In-patient care on Sylvan Ward – 12 beds are registered with the Care Quality Commission and are available for symptom management, respite and care in the last days of life
- The Orchard (Bury St Edmunds) and Burton (Haverhill) Centres offer medical, nursing and physiotherapy outpatient clinics, groups, programmes of care targeting symptoms such as breathlessness or pain. Complementary therapies are available to patients and family members.
- ‘Drop-in’ sessions for anyone seeking advice or support
- Skype video conference consultations are available
- Bereavement Support for adults and children including counselling, group work, peer support and Thanksgiving and Remembrance Services
- ‘Nicky’s Way’ bereavement support programme for children, their parents/guardians whatever the cause of bereavement.

### **2. Palliative care and bereavement advice, information and informal support** includes:

- Phone advice which is available 24 hours a day and 365 days a year to professionals, patients and families
- The Hospice Neighbours volunteer service. Practical support and neighbourly friendship is provided through the network of 159 volunteer Hospice Neighbours
- Peer support groups including:  
    ‘Boy’s Own’, ‘Knit’n’Natter and ‘Creative Writing’
- Bereavement Groups: ‘DIY’, ‘Cookery’, ‘Walking’
- An information area in the main hospice building with computer access for patients and families
- An informative website.

### **3. Palliative care and bereavement education** includes:

- Staff attendance at ‘Gold Standards Framework’ (GSF) meetings in GP surgeries and care homes
- Ongoing contact with social care, schools, prisons, mental health units and voluntary providers
- Internal and external programmes, locally and nationally
- Specific education and support to local care homes and care agencies
- Membership of regional and national end of life committees determining programmes of education.

## **Who uses and benefits from the Hospice’s service?**

The Hospice’s agreements with NHS Suffolk and NHS Norfolk are to provide support to people whose GP practice is based within West Suffolk or Thetford (Norfolk). This catchment area includes a population of approximately 270,000 (240,000 in West Suffolk and 30,000 in South Norfolk). Whenever possible, people outside this geographical area are accepted if it is their choice to use St Nicholas Hospice (Suffolk) as a provider of services.

The open referral system is for people who are facing the last phase of their life or who are bereaved who need hospice or palliative care, support and/or advice. For instance, they may need help with:

- symptom control
- psychosocial or spiritual issues
- difficult decisions, planning, or conversations about managing end of life care
- support for family or friends
- practical or companionship support in their home, care home or during hospital admission.

### **Charitable Activities (continued)**

The Hospice supports patients/people from young adulthood onwards, who have agreed to Hospice contact (if they do not have the mental capacity to do so we will consider how we can help meet their best interests within the context of legislation such as the Mental Capacity Act, Mental Health Act and Deprivation of Liberty guidance).

We encourage self-referral or contact from family or friends on behalf of people. We actively encourage people and their families to contact the Hospice early in an illness so we can help them 'live well' and maintain their independence.

Families, carers or significant friends can be referred/access the services in their own right, when they are affected by the patient/person's illness or death.

Bereaved children living in the geographical area (aged 5 – 18) can be referred to Nicky's Way (the bereavement programme for children and young people) regardless of their cause of bereavement.

The Hospice works with teenagers, young people, and their families. Hospice staff collaborate with East Anglia's Children's Hospice to meet the needs of young people in transition from children's hospice to adult services, in order to promote continuity.

#### **How do we respond to requests for help and meet demand?**

Our 'First Contact' service assesses new referrals within 24 hours; providing prompt, sensitive assessment of need. Out of hours enquiries are handled by the nursing and medical team. Ward admissions are prioritised on patient and family needs and bed availability. Medical outpatient and domiciliary appointments are provided within 7 working days; urgent appointments are arranged within 2 working days. Walk-in, un-booked, open access is via informal group sessions or by immediate deployment of a staff member to the Reception Desk.

## ST NICHOLAS HOSPICE (SUFFOLK)

### Strategic report for the year ended 31 March 2015

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The Trustees present their Strategic Report for the year ended 31 March 2015, containing a review of achievements and performance, a financial review, plans for future periods and the principal risks that they consider the charity faces.

#### Review of 2014/15

In 2014 we said we would:	By March 2015 we had:
<b>Develop and increase our income to meet loss of specific grants in future years</b>	<ul style="list-style-type: none"><li>• Grown all major events income, including Girls Night Out, Classic Cars, Race Evening</li><li>• Recruited a Legacy Officer</li><li>• Established 2 new shops and an Ecommerce operation</li><li>• Grown income from Haverhill community by 20%</li><li>• Developed new Major Donor Events and a Giving Circle</li><li>• Used door to door canvassing to maintain and grow Lottery income</li><li>• Installed a Tree of Reflection with potential to generate £100k in 3 years.</li></ul>
<b>Develop our community partnership activity specifically working with marginalised groups</b>	Established relationships with: <ul style="list-style-type: none"><li>• Marginalised and Vulnerable Adults Team</li><li>• Misuse of drug treatment providers</li><li>• Suffolk Alcohol Treatment Service</li><li>• Gypsy and Traveller representatives</li><li>• Suffolk Constabulary</li><li>• Polish/Portuguese communities</li><li>• Housing Associations.</li></ul>
<b>Increase our community and out of hours support to patients and their families</b>	<ul style="list-style-type: none"><li>• Trained ward nurses to be able to work in community to meet peaks in demand</li><li>• Increased Hospice Neighbours to 20 local coordinators and 159 Neighbours</li><li>• 'Out of hours' advice line deemed comparable with best at other hospices - no change this year</li><li>• Piloted a 'Skype' video contact method which did not prove popular.</li></ul>

## ST NICHOLAS HOSPICE (SUFFOLK)

Strategic report for the year ended 31 March 2015

### Review of 2014/15 (continued)

In 2014 we said we would:	By March 2015 we had:
<b>Establish and develop our outreach activity at The Burton Centre</b>	<ul style="list-style-type: none"><li>• Facilitated use of the community rooms by Suffolk Age UK, Brownies/Guides, Headway Suffolk and the Births, Deaths and Marriages Registrar</li><li>• Established links with University of the Third Age (U3A), Parkinson's Specialist Nurses, Livewell Suffolk, Haverhill Upper Academies</li><li>• Grown community engagement - the Garden of Life Working Group, young people through the Prince's Trust and holding a stakeholder quiz</li><li>• Established daily 'Drop-in' sessions</li><li>• Established a successful dance group for people with disability.</li></ul>
<b>Establish the new clinical management structure and integrated, flexible working</b>	Established <ul style="list-style-type: none"><li>• Community Partnership and Nursing teams</li><li>• Flexible nursing contracts</li><li>• Physiotherapy and occupational therapists with expertise in neurology and older people</li><li>• Hospice nurse specialists trained in clinical history taking</li><li>• Ward nurses working for up to a month in our community nursing team</li><li>• Closer relationships with hospital oncology, respiratory &amp; pain colleagues.</li></ul>
<b>Fully implement an electronic patient record system</b>	Implemented across all services with the benefit of shared record keeping with district nurses and some GPs.
<b>Launch the Hospice's new strategy to the wider community</b>	'At Home with the Hospice' public campaign also targeting GP surgeries and health centres - to raise awareness of the support we could provide to people in their homes.

### In addition to our original plans we developed our education and research and:

- Worked nationally with Skills for Health in the development of Care Assistant competency in end of life care
- In association with Suffolk Family Carers, provided 'Caring with Confidence' a programme for family members
- Established 'Community Palliative Care Network' (includes Clinical Commissioners, university representatives and care home managers) - a care of older people inter-agency palliative care education leads group
- Were unsuccessful in recruiting to Research post.
- Published 2 papers on case management and long-term conditions and our end of life homeless project.

## ST NICHOLAS HOSPICE (SUFFOLK)

Strategic report for the year ended 31 March 2015

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### Review of 2014/15 (continued)

#### National and Local Awards

The success of our strategy in relation to community based volunteering was recognised by a number of awards:

- Hospice UK and NGS (National Garden Scheme) Innovation in Volunteering Award 2014 for the Hospice Neighbours service (national)
- St Edmund's Day award for two Hospice Neighbours in Bury St Edmunds (local)
- 'Volunteer of the Year' at The Stars of Suffolk ceremony 2014 for a Brandon Hospice Neighbour (local).

The Rev Canon Richard Norburn MBE, was winner of the High Sheriff's Suffolk Lifetime Achievement Award 2015 (local).

Rev Sue Nutt, BEM (volunteer Chaplain) was awarded the British Empire Medal in the 2015 New Year's Honours for her work in the Community.

Dr C. Proot (our Psychological Support Specialist) published a book entitled 'Life to be Lived' which was the International Association of Palliative Care Book of the Month: Nov 2014.

#### **Feedback from NHS Commissioner:**

*'I just thought I would share with you how impressed Ed (Ed Garrett, Chief Operating Officer, West Suffolk Clinical Commissioning Group) was post his meeting with you last week. He was bowled over – loved the environment, atmosphere and the enthusiasm and commitment that clearly came across from you at the meeting in order to appropriately support the West Suffolk patient population. I obviously had to agree with all of his comments as that's exactly the impression that we get when visiting; great working with you and your excellent team!'*

*Written by Transformation Lead – Cancer / End of Life / SDM / Integrated Care, NHS West Suffolk Clinical Commissioning Group.*

Our main clinical commissioning group agreed a four year grant agreement to part fund our services. They commented that 'the staff at St Nicholas Hospice Care do invaluable work and our partnership with them is integral to making end of life care in West Suffolk the very best it can be'.

#### **Our people**

The contractual changes that will support the clinical restructure and move toward increased flexible working across the nursing teams was completed in October 2014. This has created the platform for the two new clinical lead posts (Heads of Nursing and Community Partnerships) to redefine the workforce structure that will be required to deliver our strategic aims. This work will continue into 2015.

The focus on changing roles and work patterns has led to anxiety for some staff and this may have been an influencing factor in a small number of nurses taking retirement or other employment.

The 2015 staff and volunteer survey will allow us to benchmark staff engagement during this period of change and beyond.

**The Staff Forum** met nine times during the year with continued focus on communication of change for the clinical departments. It continues to be an important meeting for staff to feed in their thoughts and concerns, the forum is chaired by the CEO or the Deputy CEO. The importance of this forum for consultation and feedback was further evidenced by the decision of the Board of Trustees to have representation at each meeting.

## ST NICHOLAS HOSPICE (SUFFOLK)

### Strategic report for the year ended 31 March 2015

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#### Review of 2014/15 (continued)

**Pay** - this year we were pleased to be able to offer a pay award of one per cent in October 2014. We again implemented the principles of the “living wage” for our lower paid staff which lifted our minimum payment for any member of staff to £7.45 per hour.

**Staff turnover** was 18.5% compared to 16% in 2013/14. Voluntary turnover trended down at 9.9% from 11.1% in 2013/14 (this includes death in service, end of contract, ill health, retirement, personal reasons and relocation). Non voluntary / preventable turnover was up to 8.6% from 6.3% in 2013/14. This increase in preventable turnover may be attributed to the change initiatives and anticipated changing roles and work patterns in the nursing teams leading to some dissatisfaction.

#### Professional Development

**Our staff and volunteers received 785 days  
of development and training**

We were able to support 272 days of Continuous Professional Development (CPD) activity and 98 days of management development training during 2014/15. Examples of CPD activity are detailed below.

Members of staff and volunteers engaged in CPD activity, which included:

- Chief Executive - a PhD in Palliative Care - research with volunteers
- Finance Director - MA in Hospice Leadership
- Chaplain - MSc in Palliative Care that focused on the impact of Hospice Neighbours on patients
- Senior Nurse - MSc Advanced Practice & non-medical prescribing
- Senior Nurse - Advanced Skills in Clinical Assessment
- Two healthcare assistants - Foundation Degree in Healthcare Practice
- Specialist Nurse - BSc Palliative Care (self funded, but given time)
- Registered Nurse - BSc Palliative Care (self funded)
- Head of Education - Postgraduate Certificate in Education.

#### Management Development

A leadership development programme for all leaders across the Hospice commenced in September 2014. Sixty four staff members attended two sessions of development training that focused on change, culture and leadership.

This development continues into 2015 as we work with an external facilitator from the 'Ideas Centre' and focus on devolved problem solving and ownership and a specific programme for nurses on leadership.

## **ST NICHOLAS HOSPICE (SUFFOLK)**

### **Strategic report for the year ended 31 March 2015**

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#### **Review of 2014/15 (continued)**

##### **Volunteering**

Volunteering numbers expanded less dramatically than in 2014/15. Attrition absorbing the impact of ongoing recruitment of volunteers - 254 new volunteers were recruited over the 12 months. By the end of the year 746 volunteer roles were being fulfilled.

This is an increase of 9% in our numbers of volunteers. We now have 688 volunteers fulfilling 746 volunteer roles. The biggest increase in absolute volunteering numbers has again been Hospice Neighbours. However Retail and Warehouse recruitment accounted for 41% of the new recruits. Attrition of older volunteers and new shop openings demanded and will continue to demand significant attention.

This year we have expanded and recorded the volunteering contribution of Associates. Associates attend sub-committees of the Board of Trustees and may offer specialised advice or have a specific interest in the committee purpose. They do not sit on the main Board of Trustees.

The breakdown of volunteer roles in the Hospice this year is as follows:

<b>274 in retail</b>
<b>136 in clinical services</b>
<b>159 in Hospice Neighbours</b>
<b>154 in fundraising and support services</b>
<b>12 as Trustees</b>
<b>11 as Associates</b>

**Our volunteers provide an average 5,871 hours of support a month**

##### **Marketing**

Marketing achieved its highest television coverage to date, with eight TV appearances across the year, ranging from Garden of Life coverage to family stories and fundraising. Positive media coverage was consistently high, including a monthly column written by the CEO which focused on the issues surrounding end of life care in our community.

Use of digital media has grown and proven to be a cost effective method of obtaining volunteers and advertising events. A key highlight for digital media was a £50,000 grant won from the People's Millions campaign which was promoted digitally and with no paid advertising.

<b>Email donor database size: 2,878</b>
<b>Facebook 'likes': 4,812 (across all three Facebook pages: Main page; Girls Night Out; Accumulator). An increase of 1,053</b>
<b>Twitter followers: 2,819</b>

## ST NICHOLAS HOSPICE (SUFFOLK)

Strategic report for the year ended 31 March 2015

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### Review of 2014/15 (continued)

#### Clinical Service Activity

In June 2014 we moved from iCare to SystmOne as our clinical database. Because of the transition of data between 2 systems we have, for this year only, needed to base this report on data from the last 10 months of the year (unless otherwise stated) which has been extrapolated to represent a 12 month period for comparison with the previous year.

The activity numbers only demonstrate an element of the quality of the services; quotes from service user feedback is included in italics throughout.

#### Referrals, discharges and deaths

This year we received 867 referrals to our clinical services which is similar to 887 last year. 107 (13%) had non-malignant disease as their primary illness. All requests for help were responded to within one working day.

301 people were referred to Hospice Neighbours (an increase on the 248 in 13/14) of which 40% had a non-malignant disease.

115 people accessed our 'drop in' service; these people are not necessarily included in the referral data.

1,986 people were supported throughout the year by our clinical team and 142 people were supported by the bereavement team. The average length of time under the care of the Hospice remained stable; 119 days this year and 103 days last year.

*'To know of your presence is a great comfort'*

645 people died whilst supported by the Hospice. This year we supported 238 to die in their own home and 50 people to die in a care home (45% of all deaths), 16% of deaths occurred in our ward (which is identical to the previous year).

We piloted consultation and discharge letters being sent directly to patients with copies to their consultants, GPs, community nurses. The language used in the letter is modified in order for the patient to understand the content; we believe this is an important step in putting the patient at the centre of decision making and care.

#### Day Services

Our strategy to support people early in their disease 'journey' has proved successful especially through our day services. Our aim is to help people live their lives, feel good about themselves, maintain function, overcome problems, find hope, and adapt to challenging situations. We piloted 'Open House' Monday through to Friday at the Burton Centre as an alternative to 'Day Care' which was set days over a set period of weeks at the Orchard Centre. Whilst both are popular with patients and families we have learnt that the Burton Centre model gives greater choice and flexibility to patients.

## ST NICHOLAS HOSPICE (SUFFOLK)

Strategic report for the year ended 31 March 2015

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### Review of 2014/15 (continued)

#### Drop-In services include:

'Open House', 'Knit'n'Knatter', 'Boys Own', 'Creative Writing' and 'Move it' dance classes. We have increased collaboration with other services for instance the Terence Higgins Bury Support Group meets in the Orchard Centre and Age UK meet in the Burton Centre; we have made arrangements for other external organisations to use the Burton Centre working in partnership to support our patients e.g. Livewell Suffolk.

#### **Day Services provided (*last 3 months*):**

**Day Care: 272 attendances for 61 people**

**Groups: 49 attendances for 33 people**

**Drop in: 510 attendances for 115 people**

#### Community Hospice Service

Hospice Neighbours, the community volunteering service continued to grow and make a significant impact. In 14/15 1,016 home visits were made; overall time spent providing client support (either face to face or over the telephone) totalled 5,483 hours, this was considerably more than the 1,719 hours spent visiting people in their homes in the previous year (telephone contact was not recorded until April 2014.)

The nurses, doctors, physiotherapists and occupational therapists, social workers and specialist psychologist made 658 visits in the final 3 months of 2014/15.

702 people were discussed at GP GSF meetings.

#### 'Out of hours' activity

The work undertaken outside of office hours is mainly advice on symptom management and the use of drugs in the last days of life; all of which helps to prevent unwanted emergency admissions to hospitals and reassures families and professionals.

#### **In March 2015 we provided:**

**513 phone calls to professionals**

**50 phone calls to families**

**59 weekend visits**

## ST NICHOLAS HOSPICE (SUFFOLK)

Strategic report for the year ended 31 March 2015

### Review of 2014/15 (continued)

#### Sylvan Ward (In Patient Unit)

On Page 20 we detail the staffing problems we faced; despite this staff shortage we maximised the use of bed availability with 2,042 bed days used of the 2,215 bed days available. This 92% occupancy is higher than the average for like sized hospice wards which is 77%. In the previous year our occupancy was 72%.

The average length of stay of 11 days is a slight increase on 8 days last year.

We:

**Admitted 172 people, 18 less than 2013/14  
Supported 106 people who died, 10 more than 2013/14  
Discharged 89 people to the community; 9 more than 2013/14**

#### Bereavement Support

**Adult bereavement support:** Adult relatives of patients known to the Hospice are supported by a variety of groups including walking, home maintenance, cookery and on a one-to-one basis. The Bereavement Support Therapeutic Group is a closed group run over 6 weeks each spring and autumn. Thanksgiving and remembrance services are held 5 times a year.

***'was just what I needed. A listening ear with so much support'  
'I sincerely thank the Hospice for everything...helpers on the walks for all  
your hard work. You are all unforgettable and so very kind'***

Increasingly the bereavement service is receiving requests for support from bereaved adults whose loved one was not supported by the Hospice; this accessibility is in line with our intent to support more people in the community.

We are pleased that some groups continue to become independent of the Hospice, transforming to friendship groups resulting in group holidays and regular meetings at restaurants. This exemplifies our strategic vision to facilitate communities supporting communities.

***'thank you for all your help and I feel much more like myself again  
and realise now how I can help others'***

## **ST NICHOLAS HOSPICE (SUFFOLK)**

**Strategic report for the year ended 31 March 2015**

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### **Review of 2014/15 (continued)**

We provided:

**1,010 episodes of bereaved adults being supported  
through a variety of means (1,428 in 13/14)  
ranging from remembrance services to groups to counselling**

#### **Nicky's Way Programme and support to children within families**

A support group for the parent/guardian is run in parallel with the children's programme. Activity included:

**25 children attended Nicky's Way; was 30 in 13/14  
101 children supported (not attending programmes); was 137 in 13/14  
22 adults were supported during the programme**

#### **External education**

Working with Hospice UK Education Consortium we advanced plans to get accreditation for our end of life training for care homes; this joint work with West Suffolk College should conclude early 2015/16.

This year we delivered training sessions to the following:

- Local schools
- Suffolk County Council
- Hospital Doctors, GP Practices, medical students
- Care Homes and Home Care Agencies
- Nurses
- Nursing students
- Marie Curie
- Allied health professionals
- Physiotherapy and counselling students
- Prison Service
- Pastoral Support Network
- Patients & families
- Pastoral and faith groups
- Work experience students
- Orbit Housing – Sheltered Housing
- Visiting students from abroad e.g. USA.

## ST NICHOLAS HOSPICE (SUFFOLK)

Strategic report for the year ended 31 March 2015

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### Review of 2014/15 (continued)

Topics included:

- Introduction to hospice services
- Grief and bereavement in children
- End of life care and symptom control
- Supported placements to doctors on GP Vocational Training Scheme (GP VTS)
- Advance Care Planning and dementia
- HOPE (Help Overcoming Problems Effectively) Survivorship well-being days for patients
- Caring with Confidence course with Suffolk Family Carers
- Cross Cultural End of Life Care
- Verification of Expected Death.

***Having attended a training session about what to expect as a resident approaches end of life, a staff member said she felt so much more confident and prepared for a situation when she was present when a resident deteriorated and died.***

### Education for Care Homes and Care Agencies

**436 people have attended 68 sessions  
They came from 33 Care Homes and  
11 Domiciliary Care Agencies (14/15)**

The aim to support the individual sessions in care homes the Community Palliative Care Network which we established in 2013/14 went from strength to strength. 94 delegates attended sessions. Membership included Suffolk Family Carers, Age UK Suffolk, University Campus Suffolk, West Suffolk Hospital, local care homes, and local domiciliary care agencies.

### User involvement

The User Advisory Group (UAG) met six times: it remains well attended with a mix of longer established and new members. One of the strengths of the group is its relationship with the Board and the presence of both standing and visiting Board members at each meeting - this ensures a good two way communication process which is valued by UAG members. Members have advocated for:

- Urgent access to pain control at home
- 24 hour help line to continue - reassuring families that 'someone is there for me'
- Easy access car parking at the Hospice (in response to new barriers)
- Sensitive language in fundraising/marketing messages
- Increased awareness raising leaflets in GP surgeries and the West Suffolk Hospital.

## **ST NICHOLAS HOSPICE (SUFFOLK)**

### **Strategic report for the year ended 31 March 2015**

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#### **Review of 2014/15 (continued)**

##### **Clinical Quality Assurance**

Following the publication of the Francis Report the Trustees have reviewed the governance arrangements in their Committees with specific reference to engagement, gaining insight, accountability and managing risks.

##### **Trustee visits**

In 2014 the Trustee chair of the Clinical Committee joined a number of clinical meetings to observe decision making and problem solving in action; these included the

- Medicine Management Committee
- Leading Hospice Care Meeting (for advanced practitioners (APs) - nursing, social worker and physiotherapy)
- Senior Clinical Managers Meeting.

Three trustee visits occurred to patients at home in the community. The Trustee reports included, the following comments:

- Mr. M reported 'total confidence' in his specialist nurse and valued being able to contact the Hospice 24 hours a day
- Mr. G spoke highly of his befriender and said he was, 'well supported'
- Ms. G said the staff were 'busy but calm' and spoke of the choice she had had of attending an Open House group or having personal consultation with a social worker; she chose the latter for individual advice.

##### **Care Quality Commission (CQC)**

The CQC triggered their intent to inspect in October 2014; we submitted the Provider Information Return in November. They have yet to visit. In anticipation of their requirement to speak with patients and service users we have reviewed our information which sets out how information is and is not shared. We will approach people on an individual basis when the CQC inspectors request to talk with service users.

##### **Patient Safety**

Following a review of patient safety the five clinical committees were streamlined into two, both report quarterly to the Clinical Committee, which is a sub-committee of the Board of Trustees:

1. The Patient Safety and Quality Care Committee (focus on infection prevention and treatment, risk assessments, national alert compliance, slips/trips/falls practice, audit and evaluation)
2. The Medicine Management Committee (focus on all medicine issues including Medicines Incident Analysis, staff competency, service developments e.g. nurse prescribing and patient self administration, risk assessments, policy and guideline review, medical gases and blood transfusion practice). Twice a year the Chief Pharmacist from West Suffolk Hospital attends to offer scrutiny and advice to ensure highest standards of CD Medicine Management.

To inform the management of medicines the Accountable Officer (AO) attends the regional Accountable Officer Local Intelligence Network meetings; incidents involving controlled drugs (CD) are discussed with the committee.

## Review of 2014/15 (continued)

### Reported Incidents/Events

There was one Serious Incident (SI) requiring intensive investigation and formal reporting to NHS Suffolk after a patient fractured the neck of their femur following a fall from their bed. The investigation has shown that the nurses had responded appropriately, but it highlighted the need to improve risk assessments, falls training and enhance the use of movement monitors. In October 2014 NHS Suffolk closed the case noting no further action being required.

Following unexpected Registered Nurse (RN) shortages in Quarter 4 the number of patients cared for on Sylvan ward was restricted (first fortnight in March only 5 patients a day on average). With 11 vacancies across all departments and insufficient RNs to provide round the clock Ward nursing, clinical managers and community staff were redeployed to the ward and remaining part-time ward staff increased their hours. Recruitment was successful and at end of the year only one vacancy across the nursing team remained. The dedication of the nursing team during this very difficult time was appreciated by the senior staff.

We reported to West Suffolk Hospital Infection Prevention Service that eleven staff had severe gastrointestinal illness, however our infection prevention procedures prevented any patients from being affected.

### Service Developments

**Outcome Measurement** - the tool we piloted last year, SKIPP (St Christopher's Index of Patient Priorities) proved unsatisfactory and we stopped using it. We will be replacing it with a modified 'Palliative Care Outcome Scale' (POS). The physiotherapy/occupational therapy team continue to test a multi-faceted tool which includes elements of the Brazilian Resilience Scale and POS.

**Benchmarking medication, pressure ulcer and falls incidents** - this was the first full year of benchmarking against 102 UK hospices. We had lower than average incidents resulting in harm with the exception of the Serious Incident. Our staff report higher numbers of near-miss medication incidents which, we believe, reflects our intent to meticulously learn from the smallest of problems.

**Medical Revalidation** is established; the Medical Director at St Elizabeth Hospice provides external expertise as required and reports annually to the Clinical Committee.

**Skill-mix, nurse rostering and patient dependency scoring** have all been introduced and reviewed as we aim to maximise efficiency and effectiveness.

**'Deliberate rounding'** was piloted by the nurses and refined for the complex care needs for patients on the ward.

Joint work with East Suffolk doctors enabled **'just in case'** medication planning to commence; this ensures necessary drugs are available in the home before they are needed.

**Learning Passports** - each member of the clinical team is now responsible for their record of learning and for scheduling their attendance at mandatory sessions. They take the details to their meetings with their line manager. The emphasis is upon staff recognising their own responsibility to develop their skills.

The weekly **clinical journal club** was instrumental in progressing two placement doctors' interest in corneal donation into a change in clinical practice. The work has been submitted for presentation at the Hospice UK 2015 conference.

## ST NICHOLAS HOSPICE (SUFFOLK)

### Strategic report for the year ended 31 March 2015

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#### Review of 2014/15 (continued)

Weekly **clinical 'mini-bite' training** sessions occur with a variety of topics on a rolling programme often delivered by external speakers.

**Link roles** have started for all staff in the clinical directorate ensuring expertise is being developed across teams. For instance, an occupational therapist and a registered nurse work together to lead on falls, six staff (administrators and clinicians) are 'champions' supporting the introduction of electronic healthcare records and a care assistant takes a leading role in infection prevention.

**Post Graduate Research** As part of her PhD the CEO will complete her research in 2015 on the experiences of community hospice volunteers visiting people at home. The Finance Director is undertaking research on the working relationship between Chairs and CEOs of hospices as part of her Masters in Hospice Leadership.

**Lone Working** was comprehensively reviewed to ensure all staff are safe irrespective of the unique circumstances in which they work.

#### Investments

The Hospice has a diversified investment portfolio comprising listed equities and unit trusts, fixed interest securities and cash. This is managed by independent investment managers appointed by the Board of Trustees.

The Hospice investment policy is:

- To achieve acceptable returns on listed equities and unit trusts, fixed interest securities and cash with equities not exceeding 75 per cent of the value of the fund
- To maintain and protect the capital value of the portfolio in real terms.

Where appropriate and within the investment objectives the Trustees will attempt to invest in ethical and socially responsible organisations.

The Trustees, through the Finance and Investment Committee, consult with two independent investment managers, Rathbones and Standard Life Wealth, on a regular basis to take advice on the management of the portfolios and to monitor their performance.

The Finance and Investment Committee agreed that the investment account was well balanced with solid investments. The change in value of the investment portfolio reflected the market conditions.

#### Financial review

The group outcome for the year was positive with a surplus of £555k which compares with a surplus of £427k for the year before. The principal reason for this movement was the increase in the value of investment assets. In 2014/15 this increase was £593k (compared to £127k in 2013/14) reflecting the fact that 2014/15 was an exceptional year for the investment markets.

Capital expenditure during the year amounted to £199k and included the completion of the refurbishment and equipping of the Burton Centre (outreach centre in Haverhill), replacement bed and mattress for the In-Patient Unit, the refurbishment of the St John's Street shop, Bury St Edmunds, two shop openings, and additional IT equipment for the retail shops and the Hospice.

## ST NICHOLAS HOSPICE (SUFFOLK)

### Strategic report for the year ended 31 March 2015

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#### Review of 2014/15 (continued)

#### Financial review (continued)

##### Income

Income in 2014/15 at £5,959k was up 2% on the previous year.

**Voluntary income** after taking out the impact of the NHS project related and NHS England capital grant has increased by 6% year on year. The principal contributor to this was legacies which at £1,017k were up by 11%.

Other significant movements within voluntary income were:

- Donations from Trusts (including the second of two years of Big Lottery Funding) at £352k were down 23%
- General and specific donations at £336k were up by 21% reflecting the celebration of the Hospice's 30<sup>th</sup> anniversary, the success of a direct mail campaign focused on funds for nursing staff and a 50% increase in gift aid associated with the major events.

**Events and groups income** increased year on year by 31% - The Memorial Cycle Ride (a joint fundraising event with the Haberdashers' Trust) and further growth in the Girls' Night Out were key to this achievement.

**Lottery and draw income** improved year on year by 2%. This was due to draws which improved by 7%.

**Retail income** grew by 6%:

- Revenue growth was predominantly from ladies clothing (13%), bric a brac and soft furnishings (7%)
- Two new shops were opened: a parade shop in Bury St Edmunds and a larger shop in Thetford.
- Recycling income fell by 18% reflecting the national trend.

**Trading Subsidiary** (St Nicholas Hospice Trading Limited) income shown of £69k relates to the sale of bought in goods (38% increase over 2013/14) and house clearances.

**Investment income** improved by 8% as a result of a 21% increase in dividend earnings compared to 2013/14.

**Income from charitable activities**, comprising principally NHS funding remained the same and the main grant remained at the same level that it has done for the last 5 years. For further comment on the future of NHS funding please refer to the later section 'Going Concern'.

##### Expenditure

Total resources expended at £6,160k represents an increase of £625k (11%) against the previous year. The increase was largely due to:

- Investment in additional clinical staff to support the transition to the new strategy
- Project and running costs associated with outreach at the Burton Centre in Haverhill
- Costs associated with the Memorial Cycle Ride major event
- Project costs associated with the implementation of the new electronic patient record system (SystemOne)
- Opening two new shops, appointing an E-commerce Manager and a retail co-ordinator
- Additional pension costs associated with the auto-enrolment pension legislation
- A general pay increase of 1% awarded to staff

## **ST NICHOLAS HOSPICE (SUFFOLK)**

### **Strategic report for the year ended 31 March 2015**

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#### **Review of 2014/15 (continued)**

#### **Financial review (continued)**

#### **Expenditure (continued)**

- Provisions in respect of the recent case law in respect of the calculation of holiday pay and a potential multiemployer pension scheme liability.

#### **St Nicholas Hospice Trading Limited**

Income of £140k relates to the sale of bought in goods, delivery charges in respect of furniture deliveries, house clearance income and donor procurement charges made to the Charity for the recruitment of donors who gift aid. For the year under review £48k of gift aid is due to be reclaimed by the Charity as a result of this donor recruitment.

At the end of the year shareholders funds stood at £44k (2014: £41k).

#### **Cash at bank**

Although the financial performance of the Group before the increase in the value of its investments has been a deficit of £201k, this has been affected by a significantly increased depreciation charge (Burton Centre) this year hence cash balances have only reduced by £14k.

#### **Reserves**

Total reserves at the end of the year amounted to £12.2m (2014: £11.6m) of which £0.7m (2014: £0.8m) were restricted. Of the unrestricted reserves £2m is the Building Fund representing an element of the cost of the Hospice's buildings less depreciation charged thereon.

The Trustees have reviewed the reserves policy giving consideration to the risk, probability and likely impact on the Charity's continuing ability to meet its long-term charitable objectives as a result of any decline in income.

In February 2013 the Trustees reviewed the level of free undesignated reserves taking account of current economic uncertainty and the on-going need for working capital for the day-to-day activities of the charity. The Trustees also took into consideration the risks associated with the Charity's key income streams and the future needs of the Community that the Hospice serves. As a consequence the Trustees are currently of the opinion that free reserves, excluding designated funds, should ideally represent approximately 1 year of total running costs. This ensures that the organisation can continue to support beneficiaries in periods of financial downturn, but also enables funds to be set aside for future Hospice services and revenue generating projects. The actual and predicted level of reserves are compared throughout the year to one year's running costs when considering new projects.

Free undesignated reserves (excluding fixed assets) at 31 March 2015 stood at £7.8m (£8m including fixed assets) which exceeds the target of 1 year of total running costs, but takes into account a predicted deficit in 2015/16 due to further transition costs in relation to moving the Hospice towards a greater community focus .

In December 2012 it was agreed that the 'Hospice Community Services Fund' should be increased and used to underpin three years annual running costs for the establishment of a pilot Hospice Community centre in Haverhill, the capital redevelopment costs of which have been part funded by NHS England in 2013/14 and 2014/15.

## **ST NICHOLAS HOSPICE (SUFFOLK)**

### **Strategic report for the year ended 31 March 2015**

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#### **Review of 2014/15 (continued)**

##### **Financial review (continued)**

##### **Reserves (continued)**

Also in 2012/13 the Trustees designated the 'Income Generation Projects Fund' to be used for investment in income generating projects to fund future growth in services. A decision was made in 2014/15 to further increase the fund by £200k for specific income supporting projects.

The attributed income (£848) from the Earl of Euston 2009 Fund was used in furtherance of the objects of the Hospice.

#### **Plans for Future Periods**

In line with our strategy to reach more people next year we will continue to:

1. Develop and increase our income to match expenditure
2. Ensure our workforce is equipped and structured to meet the growing needs of our community
3. Enhance our community and out of hours support to patients and their families
4. Establish and develop our partnership and outreach activity across our community
5. Establish closer working relationships with West Suffolk Hospital
6. Further develop learning opportunities to increase the confidence of others when caring for the dying and bereaved.

#### **Principal Risks and Uncertainties**

The main risks for the Charity relate to the changes required to meet the growing demand from our local population as well as continuing to maintain and develop income streams to meet increasing costs.

The future of palliative care funding and agreements are still not agreed at a national level although West Suffolk Commissioners have recently signed 4 year grant agreement with the Charity.

#### **Going Concern**

The Charity has a diverse range of income generating activities including voluntary, investment, fundraising, retail, event and lottery income. In addition approximately 23% of total income comprises funding from West Suffolk CCG and a four year agreement to 31 March 2017 has now been signed. The Hospice now receives its funding allocation monthly from West Suffolk CCG. The total amount receivable represents no change on the amount received in 2014/15.

The national review of how hospices and other palliative care providers are funded was completed in July 2011. Pilots across the U.K. have taken place to test the options, however no further information is available at this stage to advise of likely changes. The implementation of funding changes is targeted for at the latest 2015.

**Going concern (continued)**

Whilst the Charity receives its income from a wide range of sources, many of the income streams are inherently volatile. The Charity has policies in place to manage these risks including specific investment and reserves policies which are explained in the Strategic Report.

The Trustees have considered the financial position of the Charity, the investment portfolio, the level of free reserves and the 2015/16 budget and forecasts to 2017/18 and accompanying cash flow forecasts. As a consequence, the Trustees believe the Charity is well placed to manage its business risks successfully through these difficult and uncertain times.

The Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**Trustees' responsibilities in relation to the financial statements**

The Trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustees' Report, Strategic Report and the financial statements in accordance with applicable law and regulations.

The law applicable to charities in England and Wales requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing those financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgments and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the UK governing the preparation and dissemination of financial statements and other information included in the annual report, may differ from legislation in other jurisdictions.

**ST NICHOLAS HOSPICE (SUFFOLK)**

**Strategic report for the year ended 31 March 2015**

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**Statement of Trustees' responsibilities (continued)**

**Statement as to disclosure of information to the Auditor**

In accordance with company law, as the charity's Trustees, we certify that:

- So far as we are aware, there is no relevant audit information of which the charity's auditor is unaware
- We have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditor is aware of the information.

**This Annual Report and Strategic Report was approved by the Trustees on** 30 July 2015



**Adrian Williams CBE**  
**Chairman**

## ST NICHOLAS HOSPICE (SUFFOLK)

### Independent auditor's report to the members of St Nicholas' Hospice (Suffolk)

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We have audited the group and parent charity financial statements of St Nicholas Hospice (Suffolk) ("the financial statements") for the year ended 31 March 2015 on pages 28 to 52. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

#### Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' responsibilities set out on page 25 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 (APB's) Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

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

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2015 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

#### Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Trustees' 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 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.

*Baker Tilly UK Audit LLP*

HANNAH CATCHPOOL (Senior Statutory Auditor)

For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor

Chartered Accountants

Abbotsgate House

Hollow Road

Bury St Edmunds

Suffolk IP32 7FA

*11 August 2015*

# ST NICHOLAS HOSPICE (SUFFOLK)

## Consolidated Statement of financial activities (incorporating the income and expenditure statement) for the year ended 31 March 2015

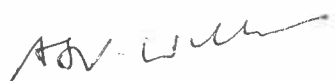
	Note	Unrestricted Funds £	Restricted Funds £	Endowment Funds £	2015 Total £	2014 Total £
<b>Incoming resources</b>						
<i>Incoming resources from generated funds</i>						
Voluntary income:						
Donations, gifts, grants and capital grants	2	757,401	435,129	-	1,192,530	1,458,899
Legacies		1,017,476	12	-	1,017,488	912,597
Activities for generating funds:						
Sale of donated and other goods		895,133	-	-	895,133	847,401
Events, groups and promotional activities		709,868	12,958	-	722,826	552,752
Lottery and Draw subscriptions		494,373	-	-	494,373	483,901
Other income		73,051	-	-	73,051	65,518
Income of trading subsidiary		69,055	-	-	69,055	51,816
Investment income	4	145,695	-	848	146,543	135,504
<i>Incoming resources from charitable activities</i>	5					
Caring for in-patients		725,005	-	-	725,005	743,721
Caring for day patients		209,755	-	-	209,755	154,878
Caring for patients in their homes		258,188	-	-	258,188	311,106
Family support and bereavement counselling		150,586	-	-	150,586	132,448
Education, training and research into palliative care		4,711	-	-	4,711	5,840
<b>Total incoming resources</b>		<b>5,510,297</b>	<b>448,099</b>	<b>848</b>	<b>5,959,244</b>	<b>5,856,381</b>
<b>Resources expended</b>						
<i>Cost of generating funds</i>						
Cost of generating voluntary income:						
Donations and gifts		184,364	-	-	184,364	198,307
Legacies		45,885	-	-	45,885	45,091
Fundraising trading:						
Expenses of trading subsidiary		32,981	500	-	33,481	22,946
Cost of selling donated and bought-in goods		1,035,809	-	-	1,035,809	886,027
Events, groups and promotional activities		445,016	-	-	445,016	364,709
Lottery prizes and administration		275,487	-	-	275,487	250,179
Investment management costs		60,870	-	-	60,870	59,374
		<b>2,080,412</b>	<b>500</b>	<b>-</b>	<b>2,080,912</b>	<b>1,826,633</b>
<i>Charitable activities</i>						
Caring for in-patients		1,815,798	34,333	848	1,850,979	1,820,110
Caring for day patients		738,037	145,445	-	883,482	495,480
Caring for patients in their homes		425,065	323,005	-	748,070	858,744
Family support and bereavement counselling		413,850	25,926	-	439,776	377,658
Education, training and research into palliative care		89,717	36,151	-	125,868	123,902
		<b>3,482,467</b>	<b>564,860</b>	<b>848</b>	<b>4,048,175</b>	<b>3,675,894</b>
Governance costs	8	31,212	-	-	31,212	32,359
<b>Total resources expended</b>	6	<b>5,594,091</b>	<b>565,360</b>	<b>848</b>	<b>6,160,299</b>	<b>5,534,886</b>
<b>Net incoming resources before other recognised gains and losses</b>		<b>(83,794)</b>	<b>(117,261)</b>	<b>-</b>	<b>(201,055)</b>	<b>321,495</b>
Realised gains/ (losses) on investment assets	13	161,485	-	1,475	162,960	(21,340)
<b>Net incoming resources</b>	9	<b>77,691</b>	<b>(117,261)</b>	<b>1,475</b>	<b>(38,095)</b>	<b>300,155</b>
Unrealised gains on investment assets	13	589,668	-	3,290	592,958	126,791
<b>Net movement in funds</b>		<b>667,359</b>	<b>(117,261)</b>	<b>4,765</b>	<b>554,863</b>	<b>426,946</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		10,789,734	787,814	36,246	11,613,794	11,186,848
<b>Total funds carried forward</b>		<b>11,457,093</b>	<b>670,553</b>	<b>41,011</b>	<b>12,168,657</b>	<b>11,613,794</b>

All amounts relate to continuing activities. All gains and losses for the year are included in the statement of financial activities above.

**ST NICHOLAS HOSPICE (SUFFOLK)****Consolidated Balance Sheet as at 31 March 2015****Company registration number 1748046**

	<b>Note</b>	<b>2015 £</b>	<b>2014 £</b>
<b>Fixed assets</b>			
Tangible assets	12	<b>2,901,542</b>	2,980,133
Investments	13	<b>8,148,954</b>	7,320,210
		<b>11,050,496</b>	10,300,343
<b>Current assets</b>			
Stocks	15	<b>12,678</b>	15,660
Debtors	16	<b>216,679</b>	473,291
Cash at bank and in hand		<b>1,473,128</b>	1,487,406
		<b>1,702,485</b>	1,976,357
<b>Creditors: amounts falling due within one year</b>	17	<b>584,324</b>	662,906
<b>Net current assets</b>		<b>1,118,161</b>	1,313,451
<b>Net assets</b>	18	<b>12,168,657</b>	11,613,794
<b>The funds of the charity</b>			
Unrestricted funds:			
General fund	19	<b>8,045,489</b>	7,439,152
Designated funds	19	<b>3,411,604</b>	3,350,582
Restricted funds	20	<b>670,553</b>	787,814
Endowment fund	21	<b>41,011</b>	36,246
<b>Total charity funds</b>	18	<b>12,168,657</b>	11,613,794

The financial statements were approved and authorised for issue by the Board of Trustees on 30<sup>th</sup> July 2015


**Adrian Williams CBE****Chairman**

The notes on pages 32 to 52 form part of these financial statements.

## ST NICHOLAS HOSPICE (SUFFOLK)

Charity Balance Sheet as at 31 March 2015

Company registration number 1748046

	Note	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	12	2,901,542	2,980,133
Investments	14	8,183,954	7,355,210
		<u>11,085,496</u>	<u>10,335,343</u>
<b>Current assets</b>			
Debtors	16	242,505	498,367
Cash at bank and in hand		1,429,727	1,455,340
		<u>1,672,232</u>	<u>1,953,707</u>
<b>Creditors: amounts falling due within one year</b>	17	581,674	661,532
<b>Net current assets</b>		<u>1,090,558</u>	<u>1,292,175</u>
<b>Net assets</b>	18	<u>12,176,054</u>	<u>11,627,518</u>
<b>The funds of the charity</b>			
Unrestricted funds:			
General fund	19	8,052,886	7,452,876
Designated funds	19	3,411,604	3,350,582
Restricted funds	20	670,553	787,814
Endowment fund	21	41,011	36,246
<b>Total charity funds</b>	18	<u>12,176,054</u>	<u>11,627,518</u>

The financial statements were approved and authorised for issue by the Board of Trustees on 30<sup>th</sup> July 2015



Adrian Williams CBE

Chairman

The notes on pages 32 to 52 form part of these financial statements.

# ST NICHOLAS HOSPICE (SUFFOLK)

## Consolidated cash flow statement for the year ended 31 March 2015

	Note	2015		2014	
		£	£	£	£
<b>Net cash inflow from operating activities</b>	A		120,815		204,287
<b>Returns on investment and servicing of finance</b>					
Bank interest received		13,148		28,680	
Investment income received		133,733		114,466	
			146,881		143,146
<b>Capital expenditure</b>					
Payments to acquire tangible fixed assets		(210,354)		(454,057)	
Receipts from sale of fixed assets		1,206		1,179	
			(209,148)		(452,878)
<b>Financial investment</b>					
Payments to acquire investments		(1,978,545)		(2,033,993)	
Receipts from sale of investments		2,332,261		1,120,156	
			353,716		(913,837)
<b>Increase/ (decrease) in cash</b>	B		412,264		(1,019,282)
<b>A Reconciliation of net (outgoing)/incoming resources before transfers and gains to net cash inflow from operating activities</b>					
		2015		2014	
		£		£	
Net (outgoing)/incoming resources before transfers and gains		(201,055)		321,495	
Investment income		(146,543)		(135,504)	
Non cash donation		(2,000)		-	
Depreciation		277,842		154,583	
(Profit)/loss on disposal of tangible fixed assets		(1,206)		6,194	
Decrease/ (increase) in stock		2,982		(9,048)	
Decrease/(increase) in debtors		255,119		(288,432)	
(Decrease) /increase in creditors		(64,324)		154,999	
<b>Net cash inflow from operating activities</b>		<b>120,815</b>		<b>204,287</b>	
<b>B Analysis of changes in cash</b>					
		At	Cash flows	At	
		1 April		31 March	
		2014		2015	
		£	£	£	
Cash at bank and in hand		1,487,406	(14,278)	1,473,128	
Cash held as investment		113,629	426,542	540,171	
		1,601,035	412,264	2,013,299	

## ST NICHOLAS HOSPICE (SUFFOLK)

### Notes forming part of the financial statements for the year ended 31 March 2015

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#### 1 Accounting policies

##### *Accounting convention*

The financial statements are prepared under the historical cost convention, with the exception of investments which are stated at market value, and in accordance with applicable accounting standards and the Companies Act 2006. The financial statements also comply with the Statement of Recommended Practice 2005 - 'Accounting and Reporting by Charities' (SORP).

##### *Group accounts*

The consolidated financial statements incorporate the accounts of the Charity and those of its trading subsidiary, St Nicholas Hospice Trading Limited for the year ended 31 March 2015.

A separate Statement of Financial Activity (SOFA) is not presented because the Charity has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

The gross income of the Charity was £5,890k and the net movement in funds was a surplus of £548k.

##### *Income*

Incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income, the amount can be quantified with reasonable accuracy and there is certainty of receipt.

Income from NHS contracts and other grants is included on a receivable basis. Legacies are included when the aforementioned recognition criteria has been met. Dividends and interest on fixed interest securities are included in the accounts when due.

Lottery income is accounted for in respect of those draws that have taken place in the year.

##### *Expenditure and irrecoverable VAT*

All expenditure is accounted for on an accruals basis (that is, recognised once there is a legal or constructive obligation committing the charity to the expenditure), and has been classified under the headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of resources.

- Costs of generating funds are those costs incurred in seeking voluntary contributions and in trading activities and do not include the costs of disseminating information in support of the charitable activities.
- Charitable activities include expenditure associated with the provision of hospice services and include both the direct costs and support costs relating to these 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 are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at the Hospice. Such costs have been allocated to activity cost categories on a headcount basis.

Irrecoverable VAT is charged against the category of expenditure for which it was incurred.

##### *Volunteers*

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 Report.

**1 Accounting policies (*continued*)**

*Tangible fixed assets and depreciation*

Fixed assets costing more than £500 are capitalised, with the exception of computer equipment which is capitalised for anything costing over £100 and capital project related expenditure all of which is capitalised irrespective of value.

Depreciation is provided to write off the cost, less estimated residual values, of all fixed assets evenly over their expected useful lives. It is calculated at the following rates:-

Leasehold buildings	- remaining term of lease
Furniture and equipment	- 10% - 20% per annum
Motor vehicles	- 20% per annum

*Fixed assets donated*

Donated assets provided for use by the charity are taken to income and capitalised in the accounts at their estimated market value when donated.

*Investments*

In the Group Balance Sheet Investments are stated at market value, less any provision for impairment. The SOFA includes gains and losses arising on revaluation and disposals throughout the year.

Realised gains and losses represent the difference between the market value at the previous balance sheet date and the eventual sale proceeds. Unrealised gains and losses represent the difference between market value at the previous balance sheet date or cost of any purchases during the year and the market value at the current balance sheet date.

In the Charity Balance sheet, 'Investments' includes the investment in a subsidiary, which is recorded at cost.

*Stocks*

Stocks are included at the lower of cost and net realisable value. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

*Pension costs*

The charitable company has contributed to a group personal pension plan and a defined benefit pension scheme. Contributions paid into these pension arrangements are charged to the profit and loss account when due.

A number of employees contribute to the NHS Superannuation scheme and certain other employees participate in personal pension plans. Whilst the NHS Superannuation scheme is a Defined Benefit Scheme, it is a multi-employer scheme for which the Charity's share of the underlying assets and liabilities cannot be identified; it is therefore accounted for as a Defined Contribution Scheme in accordance with FRS 17. The Charity's contributions to these schemes are therefore charged to the statement of financial activity when due.

*Operating leases*

Rentals paid under operating leases are charged to the SOFA over the period in which the cost is incurred.

*Impairment of fixed assets*

The need for any fixed asset impairment write-down is assessed by comparison of the carrying value of the asset against the higher of net realisable value and value in use.

## ST NICHOLAS HOSPICE (SUFFOLK)

### Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

#### 1 Accounting policies (*continued*)

##### *Fund accounting*

Unrestricted funds comprise accumulated surpluses and deficits on the general fund and designated funds. They are available for use at the discretion of the Trustees in furtherance of the charitable company's objectives.

Designated funds are those funds designated for particular purposes or projects at the discretion of the Trustees.

Restricted funds are created when grants or donations are made for a particular purpose, the use of which is restricted to that purpose.

##### *Endowment fund*

Endowment funds represent funds which must be held permanently by the Charity, principally as investments. Income arising on each of the endowment funds can be used in accordance with the objects of each fund and is shown as income against that fund and allocated to costs as appropriate. Any material gains or losses arising on the investments forms part of the fund.

##### *Taxation*

The income and gains of the charitable company are exempt from corporation tax to the extent that they are applied to its charitable objectives. Recoverable income tax is accrued within the financial statements.

##### *Government grants*

Government grants are credited to income in the period to which they relate.

#### 2 Voluntary income

	2015	2014
	£	£
<b>Donations, gifts and capital grants</b>		
General donations	290,751	269,379
Specific donations	44,868	7,875
Non-cash Donations	2,000	-
Capital grants	77,327	299,161
Statutory specific grant	17,000	32,192
Grants	1,490	-
Regular giving	80,166	75,574
In Memoriam	170,099	163,289
Collection boxes	21,634	21,785
Trusts	351,678	462,120
Industry/commerce	133,947	125,999
Membership subscriptions	1,570	1,525
	<b>1,192,530</b>	<b>1,458,899</b>

## ST NICHOLAS HOSPICE (SUFFOLK)

### Notes forming part of the financial statements for the year ended 31 March 2015 (Continued)

#### 3 Net income from trading activities of subsidiary

The Charity holds 100% of the issued share capital of St Nicholas Hospice Trading Limited, a company incorporated in the UK. The principal activity of St Nicholas Hospice Trading Limited during the year was the sale of the bought in goods.

The company gifts its taxable profits to St Nicholas Hospice (Suffolk) under gift aid and the aggregate capital and reserves of St Nicholas Hospice Trading Limited at 31 March 2015 were £44,104 (2014: £40,783).

All items of income or expenditure reported on the Group Statement of Financial Activities have been shown after the removal of intra group transactions.

The trading results for the year ended 31 March 2015 and 31 March 2014 are show below:

	2015 £	2014 £
Turnover	139,828	103,303
Cost of sales	29,025	19,062
<b>Gross profit</b>	<b>110,803</b>	<b>84,241</b>
Administrative expenses	88,783	69,267
<b>Operating profit</b>	<b>22,020</b>	<b>14,974</b>
Interest payable	625	435
Profit on ordinary activities	21,395	14,539
Amount gifted to St Nicholas Hospice (Suffolk)	(18,074)	(15,016)

#### 4 Investment income

	2015 £	2014 £
UK fixed interest securities	9,968	7,005
Non- UK fixed interest securities	2,948	3,010
Non-UK listed equities and unit trusts	37,210	27,038
UK listed equities and unit trusts	83,370	73,410
Interest on bank and building society deposits	13,047	25,041
	146,543	135,504

# ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

## 5 Incoming resources from charitable activities

	Grants £	Training income £	Training grants £	NHS Service contracts £	Sponsor -ship £	Total 2015 £	Total 2014 £
Caring for in-patients	11,292	-	-	713,713	-	725,005	743,721
Caring for day patients	-	-	-	209,755	-	209,755	154,878
Caring for patients in their homes	-	-	-	258,188	-	258,188	311,106
Family support and bereavement counselling	-	-	-	150,586	-	150,586	132,448
Education, training and research into palliative care	-	4,711	-	-	-	4,711	5,840
<b>Total</b>	<b>11,292</b>	<b>4,711</b>	<b>-</b>	<b>1,332,242</b>	<b>-</b>	<b>1,348,245</b>	<b>1,347,993</b>
2014	20,700	3,176	2,664	1,321,453	-	1,347,993	

In 2015 NHS service contracts have been allocated to charitable activities by reference to the relative cost of each activity for the year, which reflects the intentions of the 48 month agreement with West Suffolk Clinical Commissioning Group (CCG) commencing from 1<sup>st</sup> April 2013. Included in the amount received is £77k from South Norfolk CCG in respect of the delivery of services in the Thetford area. The amounts disclosed also include the drugs, gases, medical equipment and pharmacy support received from the NHS; these have all been allocated to caring for in-patients.

# ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

## 6 Resources expended

	Staff Costs £	Other Costs £	Support costs £	Total 2015 £	Total 2014 £
<b>Cost of generating voluntary income:</b>					
Donations and gifts	82,264	79,607	22,493	<b>184,364</b>	198,307
Legacies	34,432	5,855	5,598	<b>45,885</b>	45,091
	<u>116,696</u>	<u>85,462</u>	<u>28,091</u>	<u><b>230,249</b></u>	<u>243,398</u>
<b>Fundraising trading:</b>					
Cost of selling donated and bought in goods	453,925	436,962	144,922	<b>1,035,809</b>	886,027
Events, groups and promotional Activities	209,955	180,767	54,294	<b>445,016</b>	364,709
Expenses of trading subsidiary	-	33,481	-	<b>33,481</b>	22,946
Lottery prizes and administration	65,480	194,803	15,204	<b>275,487</b>	250,179
	<u>729,360</u>	<u>846,013</u>	<u>214,420</u>	<u><b>1,789,793</b></u>	<u>1,523,861</u>
<b>Investment management costs</b>	<u>-</u>	<u>60,870</u>	<u>-</u>	<u><b>60,870</b></u>	<u>59,374</u>
<b>Charitable activities:</b>					
Caring for in-patients	1,175,101	263,908	411,970	<b>1,850,979</b>	1,820,110
Caring for day patients	436,504	256,564	190,414	<b>883,482</b>	495,480
Caring for patients in their Homes	550,134	91,412	106,524	<b>748,070</b>	858,744
Family Support and bereavement counselling	328,835	57,685	53,256	<b>439,776</b>	377,658
Education, training and research into palliative care	91,655	14,796	19,417	<b>125,868</b>	123,902
	<u>2,582,229</u>	<u>684,365</u>	<u>781,581</u>	<u><b>4,048,175</b></u>	<u>3,675,894</u>
<b>Governance costs</b>	<u>-</u>	<u>13,451</u>	<u>17,761</u>	<u><b>31,212</b></u>	<u>32,359</u>
<b>Total resources expended</b>	<u><b>3,428,285</b></u>	<u><b>1,690,161</b></u>	<u><b>1,041,853</b></u>	<u><b>6,160,299</b></u>	<u><b>5,534,886</b></u>

# ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

## 7 Support costs

	Admin, Finance and IT £	Personnel £	Maintenance £	Catering £	Total 2015 £	Total 2014 £
<b>Cost of generating voluntary income:</b>						
Donations and gifts	13,499	7,191	1,803	-	<b>22,493</b>	30,183
Legacies	3,360	1,790	448	-	<b>5,598</b>	6,863
	<u>16,859</u>	<u>8,981</u>	<u>2,251</u>	<u>-</u>	<u><b>28,091</b></u>	<u>37,046</u>
<b>Fundraising and trading:</b>						
Cost of selling donated and bought in goods	94,554	50,368	-	-	<b>144,922</b>	114,363
Events, groups and promotional Activities	32,584	17,357	4,353	-	<b>54,294</b>	55,510
Lottery, prizes and administration	9,707	5,171	326	-	<b>15,204</b>	11,211
	<u>136,845</u>	<u>72,896</u>	<u>4,679</u>	<u>-</u>	<u><b>214,420</b></u>	<u>181,084</u>
<b>Charitable activities:</b>						
Caring for in-patients	117,825	62,764	68,823	162,558	<b>411,970</b>	424,476
Caring for day patients	69,167	36,844	43,764	40,639	<b>190,414</b>	115,188
Caring for patients in their Homes	64,148	34,171	8,205	-	<b>106,524</b>	134,341
Family Support and bereavement counselling	29,003	15,449	8,804	-	<b>53,256</b>	56,397
Education, training and research into palliative care	9,297	4,953	5,167	-	<b>19,417</b>	20,167
	<u>289,440</u>	<u>154,181</u>	<u>134,763</u>	<u>203,197</u>	<u><b>781,581</b></u>	<u>750,569</u>
<b>Governance costs</b>	<u>17,761</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u><b>17,761</b></u>	<u>17,422</u>
<b>Total resources expended</b>	<u>460,905</u>	<u>236,058</u>	<u>141,693</u>	<u>203,197</u>	<u><b>1,041,853</b></u>	<u>986,121</u>

The charity adopts a policy of allocating costs to the respective cost headings through the year. This allocation includes support costs where they are directly attributable. Where they are not directly attributable, support costs are allocated on the basis of headcount, floor space and usage.

## 8 Governance costs

	2015 £	2014 £
Audit fees including VAT (for the Charity)	<b>13,452</b>	14,937
General management	<b>17,760</b>	17,422
	<u><b>31,212</b></u>	<u>32,359</u>

# ST NICHOLAS HOSPICE (SUFFOLK)

## Notes forming part of the financial statements for the year ended 31 March 2015 (Continued)

### 9 Net movement in funds

	2015 £	2014 £
This has been arrived at after charging/(crediting):		
Depreciation	277,842	154,583
Profit/ (loss) on disposals	1,206	(6,194)
Operating lease payments - land and buildings	171,641	154,260
- motor vehicles	36,773	42,882
- equipment	9,962	8,828
Auditors remuneration - Statutory audit of charity and group	12,565	12,200
- Statutory audit of subsidiary	3,150	3,050

### 10 Staff costs

	2015 £	2014 £
Wages and salaries	3,614,844	3,358,594
Social security costs	281,839	265,917
Pension costs	285,599	198,152
	<b>4,182,282</b>	<b>3,822,663</b>

Staff costs include the cost of 'bank' staff (individuals who are employed as and when they are required by the charity) paid through the payroll. The recharged costs of a member of the medical team (Senior House Officer), who is paid by another organisation, amounting to £54,099 in 2015 (2014 - £56,898) are also included. A grant of £11,292 (2014 - £20,700) was received during the year from the East of England Multi-Professional Deanery to support these costs as part of the GP Vocational Training Scheme.

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

	Number	Number
£60,001 - £70,000	2	1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	1
£90,001- £100,000	1	-

Employers pension contributions related to the above were £42,931 (2014: £22,812).

The average number of full time equivalent employees, including part time staff analysed by function was:

	Number	Number
Hospice services	74	73
Fundraising and publicity	13	14
Shops	21	16
Lottery	1	1
Management and administration	12	11
	<b>121</b>	<b>115</b>
Total average headcount	<b>160</b>	<b>154</b>

## ST NICHOLAS HOSPICE (SUFFOLK)

### Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

#### 11 Taxation

The income and gains of the charitable company are exempt from corporation tax to the extent that they are applied to its charitable objectives. Recoverable income tax is accrued within the financial statements.

The trading subsidiary, St Nicholas Hospice Trading Limited is liable to taxation, but there is no provision for corporation tax in the financial statements of this entity as advantage is taken of the Gift Aid scheme in donating all taxable profits to its charitable parent, St Nicholas Hospice (Suffolk)

#### 12 Tangible fixed assets (Charity and Group)

	Long leasehold buildings £	Motor vehicles £	Furniture and equipment £	Total £
<b>Cost</b>				
At 1 April 2014	3,729,036	17,699	1,300,066	5,046,801
Additions	53,266	2,995	142,990	199,251
Disposals	-	-	(15,511)	(15,511)
<b>At 31 March 2015</b>	<b>3,782,302</b>	<b>20,694</b>	<b>1,427,545</b>	<b>5,230,541</b>
<b>Depreciation</b>				
At 1 April 2014	1,022,667	9,199	1,034,802	2,066,668
Charge for the year	173,777	2,665	101,400	277,842
Disposals	-	-	(15,511)	(15,511)
<b>At 31 March 2015</b>	<b>1,196,444</b>	<b>11,864</b>	<b>1,120,691</b>	<b>2,328,999</b>
<b>Net book value</b>				
<b>At 31 March 2015</b>	<b>2,591,119</b>	<b>8,830</b>	<b>306,854</b>	<b>2,901,542</b>
At 31 March 2014	2,706,369	8,500	265,264	2,980,133

The long leasehold expenditure represents:

- The building costs of the Hospice on land at Macmillan Way, Bury St Edmunds for which a 60 year lease at a peppercorn rent was entered into on 15 August 1991.
- The refurbishment of the In Patient Unit during 2008.
- Office reconfigurations in 2013.
- Improvements to the Orchard Day Centre on the Hospice site.
- Expenditure on new and existing shops.
- The development of an Outreach Centre at the Burton Centre in Haverhill

All fixed assets of the charitable company are used for charitable purposes.

# ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

## 13 Investments (Group)

	2015 £	2014 £
<b>Market value</b>		
At 1 April 2014	7,206,581	6,187,293
Additions	1,978,545	2,033,993
Disposals	(2,332,261)	(1,120,156)
Gains	755,918	105,451
	<u>7,608,783</u>	<u>7,206,581</u>
Cash held as investment	540,171	113,629
<b>At 31 March 2015</b>	<u><u>8,148,954</u></u>	<u><u>7,320,210</u></u>
<i>Market value can be analysed as follows:</i>		
UK fixed interest securities	1,033,042	900,930
UK listed equities and unit trusts	3,286,212	2,743,307
Non-UK fixed interest securities	828,666	607,231
Non-UK listed equities and unit trusts	2,460,863	2,955,113
Cash held as investment	540,171	113,629
	<u>8,148,954</u>	<u>7,320,210</u>
<i>The historical cost of investments can be analysed as follows:</i>		
UK fixed interest securities	948,114	843,829
UK listed equities and unit trusts	2,850,482	2,487,021
Non-UK fixed interest securities	792,197	574,582
Non-UK listed equities and unit trusts	1,838,780	2,445,455
Cash held as investment	540,171	113,629
<b>Cost at 31 March 2015</b>	<u><u>6,969,744</u></u>	<u><u>6,464,516</u></u>

# ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

## 14 Investments (Charity)

	2015 £	2014 £
<b>Market value</b>		
At 1 April 2014	7,241,581	6,222,293
Additions	1,978,545	2,033,993
Disposals	(2,332,261)	(1,120,156)
Gains	755,918	105,451
	<u>7,643,783</u>	<u>7,241,581</u>
Cash held as investment	540,171	113,629
<b>At 31 March 2015</b>	<u><b>8,183,954</b></u>	<u><b>7,355,210</b></u>
<i>Market value can be analysed as follows:</i>		
UK fixed interest securities	1,033,042	900,930
UK listed equities and unit trusts	3,286,212	2,743,307
Non UK fixed interest securities	828,666	607,231
Non-UK listed equities and unit trusts	2,460,863	2,955,113
Investment in subsidiary company	35,000	35,000
Cash held as investment	540,171	113,629
	<u>8,183,954</u>	<u>7,355,210</u>
<i>The historical cost of investments can be analysed as follows:</i>		
UK fixed interest securities	948,114	843,829
UK listed equities and unit trusts	2,850,482	2,487,021
Non-UK fixed interest securities	792,197	574,582
Non-UK listed equities and unit trusts	1,838,780	2,445,455
Cash held as investment	540,171	113,629
Investment in subsidiary company	35,000	35,000
<b>Cost at 31 March 2015</b>	<u><b>7,004,744</b></u>	<u><b>6,499,516</b></u>

### Concentration of investments

The following represent investment holdings of a material nature (excluding cash).

	2015		2014	
	Market value	%	Market value	%
	£		£	
Standard Life Wealth SIA fund	1,061,243	13.9	940,181	13.0

**ST NICHOLAS HOSPICE (SUFFOLK)**Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)**15 Stocks (Group)**

	2015 £	2014 £
Bought in goods for resale	12,678	15,660

**16 Debtors**

	2015 £	2014 £
<b>Group</b>		
Trade debtors	5,338	10,180
Other debtors	2,058	256,456
VAT	9,006	12,950
Prepayments and accrued income	200,277	193,705
	<u>216,679</u>	<u>473,291</u>

<b>Charity</b>		
Trade debtors	4,939	10,180
Other debtors	2,058	256,456
VAT	10,231	13,026
Prepayments and accrued income	200,277	193,705
	<u>217,505</u>	<u>473,367</u>

**Amounts due in greater than one year:**

Loan due from subsidiary undertaking	25,000	25,000
	<u>242,505</u>	<u>498,367</u>

A loan to the subsidiary undertaking to fund working capital was granted on 16<sup>th</sup> November 2013 secured by a fixed charge over goodwill and a floating charge over all other assets of the company. Interest is charged at 2.5%. The balance will be paid in full on 15<sup>th</sup> November 2018.

# ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

## 17 Creditors: amounts falling due within one year

	2015 £	2014 £
<b>Group</b>		
Expense creditors	82,827	101,119
Other taxes and social security costs	73,416	76,243
Other creditors	90,395	46,594
Accruals	232,589	265,625
Deferred income – lottery (see below)	76,177	74,092
Deferred income – other	28,920	99,233
	<u>584,324</u>	<u>662,906</u>
<b>Charity</b>		
Expense creditors	81,043	101,023
Due to subsidiary company	4,634	4,116
Other taxes and social security costs	73,416	76,243
Other creditors	90,395	46,594
Accruals	227,089	260,231
Deferred income - lottery (see below)	76,177	74,092
Deferred income – other (see below)	28,920	99,233
	<u>581,674</u>	<u>661,532</u>
<b>Deferred Income – lottery</b>	<b>2015 £</b>	<b>2014 £</b>
Balance as at 1 <sup>st</sup> April	74,092	71,506
Additional amounts of income deferred	76,177	74,092
Amount released to incoming resources	(74,092)	(71,506)
Balance as at 31 <sup>st</sup> March	<u>76,177</u>	<u>74,092</u>
This relates to advance payments from lottery members for future lottery draws.		
<b>Deferred Income – other</b>	<b>2015 £</b>	<b>2014 £</b>
Balance as at 1 <sup>st</sup> April	99,233	38,777
Additional amounts of income deferred	28,920	99,233
Amount released to incoming resources	(99,233)	(38,777)
Balance as at 31 <sup>st</sup> March	<u>28,920</u>	<u>99,233</u>

This relates to various grants received in advance and income received for fundraising events that take place after the year end.

# ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

## 18 Analysis of group net assets between funds

	Tangible fixed assets £	Investments £	Net current Assets £	2015 Total £	2014 Total £
<b>Unrestricted funds</b>					
General fund	257,950	7,357,943	429,596	<b>8,045,489</b>	7,439,152
Designated funds:					
Building fund.	2,053,596	-	-	<b>2,053,596</b>	2,102,163
Hospice Community Service fund.	5,445	750,000	156,363	<b>911,808</b>	1,000,818
Income generation projects fund.	17,046	-	424,154	<b>441,200</b>	247,601
Education in palliative care for staff			5,000	<b>5,000</b>	-
	<u>2,334,037</u>	<u>8,107,943</u>	<u>1,015,113</u>	<u><b>11,457,093</b></u>	<u>10,789,734</u>
<b>Restricted fund</b>					
IPU ward refurbishment. Garden, Orchard Bradbury Green and Family room refurbishments.	183,874	-	-	<b>183,874</b>	192,320
Hospice Neighbours project.	91,536	-	-	<b>91,536</b>	98,842
Burton Centre refurbishment	981	-	-	<b>981</b>	2,135
Burton Centre Garden- Big Lottery Fund Grant	243,805	-	4,500	<b>248,305</b>	336,066
HOPE funding.	-	-	50,000	<b>50,000</b>	-
NHS Transformation Funding	-	-	6,310	<b>6,310</b>	7,584
Beds for Sylvan Ward	-	-	11,409	<b>11,409</b>	62,732
Baths for Sylvan Ward	20,799	-	-	<b>20,799</b>	27,540
Clinical Equipment	6,981	-	-	<b>6,981</b>	11,110
Hospice at Home IT project.	15,656	-	27,626	<b>43,282</b>	44,039
Access to work	3,214	-	-	<b>3,214</b>	4,214
Homelessness project.	302	-	-	<b>302</b>	400
Miscellaneous non clinical equipment.	131	-	-	<b>131</b>	210
Miscellaneous expenditure.	226	-	-	<b>226</b>	226
	-	-	3,203	<b>3,203</b>	396
	<u>567,505</u>	<u>-</u>	<u>103,048</u>	<u><b>670,553</b></u>	<u>787,814</u>
<b>Endowment fund</b>	-	41,011	-	<b>41,011</b>	36,246
	<u><b>2,901,542</b></u>	<u><b>8,148,954</b></u>	<u><b>1,118,161</b></u>	<u><b>12,168,657</b></u>	<u><b>11,613,794</b></u>

**ST NICHOLAS HOSPICE (SUFFOLK)**

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

**18 Analysis of charity net assets between funds**

	Tangible fixed assets £	Investments £	Net current Assets £	2015 Total £	2014 Total £
<b>Unrestricted funds</b>					
General fund	257,950	7,392,943	401,993	<b>8,052,886</b>	7,452,876
Designated funds:					
Building fund.	2,053,596	-	-	<b>2,053,596</b>	2,102,163
Hospice Community Services Fund.	5,445	750,000	156,363	<b>911,808</b>	1,000,818
Income generation projects fund	17,046	-	424,154	<b>441,200</b>	247,601
Education in palliative care for staff	-	-	5,000	<b>5,000</b>	-
	<u>2,334,037</u>	<u>8,142,943</u>	<u>987,510</u>	<u><b>11,464,490</b></u>	<u>10,803,458</u>
<b>Restricted fund</b>					
IPU ward refurbishment. Garden, Orchard Bradbury Green and Family room refurbishments.	183,874	-	-	<b>183,874</b>	192,320
Hospice Neighbours project.	91,536	-	-	<b>91,536</b>	98,842
Burton Centre refurbishment	981	-	-	<b>981</b>	2,135
Burton Centre Garden- Big Lottery Fund Grant	243,805	-	4,500	<b>248,305</b>	336,066
HOPE funding.	-	-	50,000	<b>50,000</b>	-
NHS Transformation Funding	-	-	6,310	<b>6,310</b>	7,584
Beds for Sylvan Ward	-	-	11,409	<b>11,409</b>	45,540
Baths for Sylvan Ward	20,799	-	-	<b>20,799</b>	27,540
Clinical Equipment	6,981	-	-	<b>6,981</b>	11,110
Hospice at Home IT project.	15,656	-	27,626	<b>43,282</b>	44,039
Access to work	3,214	-	-	<b>3,214</b>	4,214
Homelessness project.	302	-	-	<b>302</b>	400
Miscellaneous non clinical equipment.	131	-	-	<b>131</b>	210
Miscellaneous expenditure.	226	-	-	<b>226</b>	226
	<u>567,505</u>	<u>-</u>	<u>103,048</u>	<u><b>670,553</b></u>	<u>787,814</u>
<b>Endowment fund</b>	-	<b>41,011</b>	-	<b>41,011</b>	36,246
	<u><b>2,901,542</b></u>	<u><b>8,183,954</b></u>	<u><b>1,090,558</b></u>	<u><b>12,176,054</b></u>	<u><b>11,627,518</b></u>

## ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

### 19 Group unrestricted funds

	Balance at 1 April 2014 £	Incoming Resources £	Resources Used £	Investment Gains £	Transfers £	Balance at 31 March 2015 £
General fund	7,439,152	5,505,297	(5,450,113)	751,153	(200,000)	8,045,489
Designated funds:						
Building fund	2,102,163	-	(48,567)	-	-	2,053,596
Hospice Community Services Fund	1,000,818	-	(89,010)	-	-	911,808
Income generation projects fund	247,601	-	(6,401)	-	200,000	441,200
Education in palliative care for staff	-	5,000	-	-	-	5,000
	<u>10,789,734</u>	<u>5,510,297</u>	<u>(5,594,091)</u>	<u>751,153</u>	<u>-</u>	<u>11,457,093</u>

### Charity unrestricted funds

	Balance at 1 April 2014 £	Incoming Resources £	Resources Used £	Investment Gains £	Transfers £	Balance at 31 March 2015 £
General fund	7,452,876	5,465,488	(5,416,631)	751,153	(200,000)	8,052,886
Designated funds:						
Building fund	2,102,163	-	(48,567)	-	-	2,053,596
Hospice Community Service Fund	1,000,818	-	(89,010)	-	-	911,808
Income generation projects fund	247,601	-	(6,401)	-	200,000	441,200
Education in palliative care for staff	-	5,000	-	-	-	5,000
	<u>10,803,458</u>	<u>5,470,488</u>	<u>(5,560,609)</u>	<u>751,153</u>	<u>-</u>	<u>11,464,490</u>

#### *Building fund*

This is a designated fund representing the construction cost of the original building to 31st March 2015 less depreciation charged thereon, together with funds transferred from the original foundation fund. During 2009/10 the balance on the capital appeal restricted fund (£511,529), which was held specifically for the purpose of the development and provision of accommodation for family bereavement and support services, was transferred into this fund.

#### *Hospice Community Services Fund*

The Trustees have previously designated the Hospice Community Services Fund be used for all services that are intended to support people in the local community during illness and bereavement. In 2012/13 it was increased by £600k to provide 'pump prime' capital and revenue funding for future outreach projects.

In December 2012 the Board agreed that this fund would be used to fund a pilot in Haverhill for a new community based Hospice outreach centre, the Burton Centre, which is now established and operational. The amount spent in 2014/15 is made up of revenue expenditure relating to start up and centre running costs plus capital expenditure in excess of grants received from the DoH etc.

## ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

### 19 Group unrestricted funds (continued)

#### *Hospice Community Services Fund (continued)*

In the absence of any other sources of funding, the Trustees have agreed to fund the remaining capital spend and a total of three year's operating costs.

#### *Income Generation Projects Fund*

This fund was designated in 2012/13 to be used for investment in income generating projects such as additional retail shops and initiatives for growing lottery membership. The amount spent in 2014/15 represents the depreciation costs for the Bury St Edmunds, Barton Road Retail Centre and the new Donations Centre.

As a result of the strong legacy income during 2014/15 the Trustees have approved an additional £200k to be transferred from the general fund in anticipation of updating the Hospice's website, replacing the current donor management system and further lottery membership initiatives.

#### *Education in palliative care for staff fund*

This fund was designated in 2014/15 to be used for palliative care education for Hospice staff.

### 20 Restricted funds

	Balance at 1 April 2014 £	Incoming Resources £	Resources Used £	Balance at 31 March 2015 £
In Patient Unit refurbishment. Garden, Orchard, Bradbury Green and Family room refurbishments.	192,320	-	(8,446)	183,874
Hospice Neighbours project. Burton centre refurbishment. Burton Centre Garden- Big Lottery Fund Grant	98,842	-	(7,306)	91,536
Burton centre running costs Big Lottery Reaching Communities Fund Grant. HOPE funding.	2,135	5,000	(6,154)	981
Community Hospice Team. NHS Transformation Funding. Nicky's Way.	336,066	31,827	(119,588)	248,305
Beds for Sylvan Ward. Baths for Sylvan Ward. Clinical Equipment.	-	50,000	-	50,000
Big Lottery Fund Grant – Hospice at Home IT project. Sylvan Ward	-	18,867	(18,867)	-
Orchard day care. Access to work. Education for staff	-	219,482	(219,482)	-
Homelessness project. Miscellaneous non clinical equipment.	7,584	90,365	(1,274)	6,310
Miscellaneous expenditure.	-	90,365	(90,365)	-
	62,732	-	(51,323)	11,409
	-	23,319	(23,319)	-
	27,540	-	(6,741)	20,799
	11,110	-	(4,129)	6,981
	44,039	2,577	(3,334)	43,282
	4,214	-	(1,000)	3,214
	-	710	(710)	-
	-	1,055	(1,055)	-
	400	-	(98)	302
	-	1,490	(1,490)	-
	210	-	(79)	131
	226	-	-	226
	396	3,407	(600)	3,203
	787,814	448,099	(565,360)	670,553

## ST NICHOLAS HOSPICE (SUFFOLK)

### Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

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#### 20 Restricted funds (*Continued*)

The In Patient Unit Refurbishment fund is specifically for the purpose of the refurbishment of the In-Patient Unit at the Hospice. The money has been expended and is represented within leasehold land and buildings and furniture and equipment (note 12).

The Garden, Orchard, Bradbury Green and Family Room Refurbishment fund is specifically for the purpose of the refurbishment of those areas and includes funding from previous years including a capital grant from the Department of Health to deliver tangible physical improvements enhancing care provision to the garden, Chapel, Bradbury Green and Orchard Day Therapy areas. This funding has now been fully expended apart from small amount remaining in respect of the enhancements to the Family Room and is either represented within leasehold land and buildings and equipment (note 12) or revenue expenditure relating to garden works, which has been proportionately allocated against patient areas that benefit from the works undertaken.

The Hospice Neighbours Project fund relates to revenue funding to maintain and grow a Volunteer scheme to provide practical support to people in their own homes.

The Burton Centre Refurbishment fund relates to funding received in order to develop an Outreach Centre in Haverhill. Included in the funding received in 2014/15 is the remaining £27k from the total grant of £326k from NHS England. The capital spent to date is represented within long leasehold and furniture and equipment.

The Burton Centre Garden – Big Lottery Fund Grant, relates to capital funding to redevelop the garden space for users of the Burton Centre.

The Burton Centre running costs fund relates to funding received and expended in the year towards the costs of operating the centre.

The Big Lottery Reaching Communities Fund grant relates to specific revenue funding received to part fund our Community Hospice service.

The HOPE course fund relates to revenue funding received for co-ordinating a course for cancer patients entitled 'Help Overcoming Problems Effectively'.

The Community Hospice Team fund relates to specific revenue funding received and expended in the year for the Community Hospice Team Service which includes Community Nurse Specialists and community based Nursing Assistants.

The NHS Transformation Funding relates to specific revenue funding relating to care home partnership working and a project to develop joint working with the West Suffolk Hospital.

The Nicky's Way fund relates to specific revenue funding received and expended in the year for the children's bereavement support service known as Nicky's Way.

The Beds fund relates to specific funding received and partly expended for the purchase of electric beds for the Hospice. Those beds that have already been purchased are represented within furniture and equipment (note 12).

The Baths fund relates to specific funding received and expended on two replacement baths for Sylvan Ward – these are represented within furniture and equipment (note 12).

The Clinical Equipment fund relates to specific funding received for and partially expended on palliative care equipment. The equipment that has already been purchased is represented within furniture and equipment (note 12).

The Big Lottery Fund Grant – Hospice at Home IT project relates to specific capital funding received and fully expended from the Big Lottery to facilitate remote working by the Community Hospice team. The equipment that has been purchased is represented within furniture and equipment (note 12).

The Sylvan Ward fund relates to specific revenue funding towards the running cost of the in-patient unit.

The Orchard Day Care fund relates to specific revenue funding towards the running costs of the Orchard Day Centre, which supports patients in achieving independence.

## ST NICHOLAS HOSPICE (SUFFOLK)

### Notes forming part of the financial statements for the year ended 31 March 2015 (Continued)

#### 20 Restricted funds (continued)

The Access to work fund relates to specific funding towards special IT equipment and training for individuals coping with Dyslexia. The IT equipment purchased is represented within furniture and equipment.

The Homelessness Project fund relates to computer equipment purchased for the project 'Widening access to palliative care for homeless people and those who support them'.

The Education for Hospice Staff fund relates to grants received and expended during the year towards clinical courses.

The Miscellaneous Non Clinical Equipment fund includes the following specific funding for:

- The cost of a dolls house for Nicky's Way, the children's bereavement support service.
- Equipment for Nicky's Way.

The Miscellaneous Expenditure fund includes the following specific revenue funding for:

- Fundraising.
- The gardens.
- The purchase of a book for the retail operation.
- Retail running costs

#### 21 Endowment funds

	Balance at 1 April 2014 £	Incoming Resources £	Resources used £	Investment gain £	Balance at 31 March 2015 £
The Earl of Euston 2009 Fund	36,246	848	(848)	4,765	41,011

The income earned from the investment of the fund, £848, must be spent in accordance with the objects of the organisation.

The gain arising on the investment of the fund was £4,765 and the value of the fund was increased by this at 31 March 2015. The investment management charge attributable to the fund at £298 was immaterial and no adjustment has been made to the value of the fund.

#### 22 Members guarantee

The charitable company has no share capital but is limited by guarantee. Every member of the company is a guarantor and undertakes to contribute to the assets of the company, in the event of it being wound up, such amounts as may be required. Each guarantor's liability is limited to £1.

#### 23 Pension costs

A group personal pension plan is operated on behalf of certain employees. The assets are held separately from those of the charity in independently administered funds. During the year under review pensions auto-enrolment was implemented by the charity which increased the membership of the scheme from 46 (April 2014) to 105 (March 2015). The pension charge represents contributions payable by the charity to the plan at rates ranging from 5% to 7%. Contributions paid by the charitable company during the year amounted to £107,873 (2014 - £62,415). Contributions outstanding at 31 March 2015 amounted to £9,336 (2014 - £5,733) and were included within other creditors.

## ST NICHOLAS HOSPICE (SUFFOLK)

### Notes forming part of the financial statements for the year ended 31 March 2015 (Continued)

#### 23 Pension costs (continued)

In addition, certain other employees previously employed by the National Health Service have, by arrangement, continued to be members of the NHS Pension Scheme, a multi-employer defined benefit scheme, whilst in the employment of St Nicholas' Hospice (Suffolk). Contributions paid by the charitable company during the year amounted to £133,043 (2014 - £122,664). Contributions outstanding at 31 March 2015 amounted to £11,268 (2014 - £10,877) and were included within other creditors.

It is not possible to identify each institution's share of the underlying assets and liabilities of the scheme as the scheme is unfunded, and therefore in accordance with FRS17 - 'Retirement Benefits', contributions to the scheme are accounted for as if it were a defined contribution scheme.

Employers' contributions to the NHS pension scheme were made at the rate of 14% and employee contributions ranged from 5% to 14.5%. A new employer's contribution rate has been set by the NHS at 14.3% for the forthcoming year to 31 March 2015. Employee contribution rates continue at 5% to 14.5% for the forthcoming year to 31 March 2015.

#### 24 Related party transactions

None of the charity trustees or connected persons received remuneration or reimbursement of expenses during the year (2014 - nil). Trustees' indemnity insurance amounting to £694 was paid for the year (2014 - £681).

St Nicholas Hospice Trading Limited made purchases during the year from Music Sales Limited amounting to £137.94 (2014 nil). The balance outstanding at the 31<sup>st</sup> March 2015 was £137.94 (2014: £nil). A member of the Trustee Board is Business Development Director of Music Sales Ltd.

During the year £15,419 (2014 nil) was reimbursed to a Trustee for expenditure personally and properly incurred on behalf of the Charity. The balance outstanding at the 31<sup>st</sup> March 2015 was £nil (2014: £nil).

Transactions with the subsidiary undertaking have not been disclosed in these financial statements in accordance with the exemption conferred by Financial Reporting Standard No 8 for wholly owned subsidiaries of companies whose consolidated financial statements are publicly available.

#### 25 Financial commitments

As at 31 March 2015, the charitable company had annual commitments under non-cancellable operating leases as set out below:

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
Operating leases which expire:				
Within one year	16,750	16,750	8,491	35,150
In one to two years	9,000	9,000	6,350	2,016
In two to five years	16,400	26,400	30,377	14,711
Over five years	159,723	102,223	-	-
	<u>201,873</u>	<u>154,373</u>	<u>45,218</u>	<u>51,877</u>

#### 26 Material legacies

Legacy income is only included in incoming resources where receipt is reasonably certain and the amount is known with certainty, or the legacy has been received. As at 31 March 2015 the Charity had been notified of one reversionary legacy with an estimated value of £100k (2014: £100k) and three residual legacies with an estimated value of £140k (2014: £251k). None have been accrued as the conditions for recognition had not been met.

## ST NICHOLAS HOSPICE (SUFFOLK)

Notes forming part of the financial statements for the year ended 31 March 2015 (*Continued*)

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### 27 Capital commitments

Capital expenditure authorised and contracted, but not provided in the accounts amounts to £45,000 (2014: £29k) for the development of a garden at the Burton Centre in Haverhill.

### 28 Contingent liabilities

#### *Group VAT registration*

There is a contingent liability in respect of the Value Added Tax of certain group companies under a group registration. At the 31st March 2015 the maximum potential liability under the terms of the registration was £1,224 (2014: £75).