



**Registered Charity No. 280681  
Company Number: 01505753**

**St Luke's Hospice Plymouth  
Consolidated Financial Statements  
Year Ended 31 March 2010**

# St Luke's Hospice Plymouth

## Consolidated Financial Statements

Year Ended 31 March 2010

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# **St Luke's Hospice Plymouth Board of Trustees and Advisors**

**Year Ended 31 March 2010**

## **Trustees**

Mrs M Billing  
Mrs A Broad  
Dr J Butler  
Mr S Elford  
Mr D James  
Mrs S Jones  
Mr T Lewis  
Mr G Northcott  
Mrs L Potter  
Mr G Price  
Dr M Taylor  
Mrs J Wills

## **Company Secretary**

Mrs S A Taylor

## **Auditors**

Francis Clark LLP  
Chartered Accountants  
North Quay House  
Sutton Harbour  
PLYMOUTH  
PL4 0RA

## **Registered Office**

St Luke's Hospice  
Stamford Road  
Turnchapel  
PLYMOUTH  
PL9 9XA

## **Registered Company Number**

01505753

## **Registered Charity Number**

280681

## **Solicitors**

Wolferstans Solicitors  
Deptford Chambers  
60/64 North Hill  
PLYMOUTH  
PL4 8EP

Foot Anstey Solicitors  
Salt Quay House  
4 North East Quay  
Sutton Harbour  
PLYMOUTH  
PL4 0BN

## **Bankers**

HSBC  
South Devon Commercial Centre  
20 William Prance Rd  
Plymouth International Business Park  
PLYMOUTH  
PL6 5WR

## **Investment Managers**

Brewin Dolphin Ltd  
Ashleigh Court  
Ashleigh Way  
Langage Business Park  
PLYMOUTH  
PL7 5JX

## **Charity Website**

[www.stlukes-hospice.org.uk](http://www.stlukes-hospice.org.uk)

# St Luke's Hospice Plymouth

## Board of Trustees' Report

### Year ended 31 March 2010

The Board presents its report and the audited consolidated financial statements for the year ended 31 March 2010. The accounts have been drawn up in compliance with the Statement of Recommended Practice – Accounting and Reporting by Charities (as revised in March 2005) ('SORP'), the Charities Act 1993, the Companies Act (2006), and in accordance with the company's Memorandum and Articles of Association.

### 1. Structure, governance and management

St Luke's Hospice Plymouth is a company limited by guarantee and not having a share capital. It was incorporated on 29th May 1980. It is a charity registered in England and Wales. The maximum liability of each member on the winding up of the company is £1.

#### Organisation of the Charity

There are currently 24 members of the Association of the Hospice. Individuals must sign a consent form on becoming a member. Every member shall further, to the best of their ability, the objects, interests and influence of the Association. The Trustees are appointed from the members of the Association. Full responsibility for the running of the Charity is vested in the Trustees, who by reason of the incorporation of the Charity are also Directors of the Company. The Trustees can appoint from the membership to fill any vacancy that arises until the next AGM. There is an induction programme and pack for new trustees in line with Charity Commission good practice and trustee training needs are reviewed annually.

#### Governance

The Board of Trustees is the Governing Body. The company secretary (who is the Hospice Chief Executive), and other nominated senior executives act as ex officio members. The Board meets to agree business plans and annual operating plans and to monitor performance against them. It sets the ethos, aims, policies and limits of authority. It appoints and provides support and direction to its senior executives (the Senior Management Team - SMT) and has a formally agreed Governance policy that is reviewed annually. The Hospice was inspected by the Healthcare Commission in the year as part of its annual inspection programme and has subsequently registered with the successor body – the Care Quality Commission.

|               |  |
|---------------|--|
| Chair         | Mr Stuart Elford (elected 12 <sup>th</sup> May 2010), Mr Gavin Price (resigned as chair 12 <sup>th</sup> May 2010) |
| Vice Chairs   | Mr Guy Northcott<br>Mr Gavin Price B Tech (Hons), FSS,FCSI   |
| Hon Treasurer | Mr Guy Northcott BscEcon, FCA, DChA  |

#### Principal employees:

|  |                                      |
|--|--------------------------------------|
| - Chief Executive                                  | Mrs Sally Taylor BSc PGCE FCA        |
| - Medical Director                                 | Dr Mary Burnell-Nugent MA MB.B.Chir. |
| - Director of Clinical Services                    | Mr George Lillie RGN RMN BSc. MSc    |
| - Deputy Chief Executive                           | Mr Steve Statham FCIPD               |
| - Director of Finance                              | Mr Andrew Holland ACMA               |
| - Director of Income Generation and Communications | Mr Robert Parsons MinstF             |

# St Luke's Hospice Plymouth

## Board of Trustees' Report (continued)

### Trustees

The following Trustees, who are also Directors, served during the year:

|                                    |                                    |
|------------------------------------|------------------------------------|
| Mrs M Billing                      | Mr G Northcott                     |
| Mrs A Broad                        | Mrs L Potter                       |
| Dr J Butler (Appointed 14/07/2009) | Mr G Price                         |
| Mr S Elford                        | Mr R Pursell (Resigned 13/10/2009) |
| Mr D James (Appointed 19/05/2009)  | Dr M Taylor                        |
| Mrs S Jones (Appointed 13/10/2009) | Mrs J Wills                        |
| Mr T Lewis                         |                                    |

## 2. Objectives and activities

### Objects of the Charity

The principal object of the charity is to promote the relief of sickness amongst people suffering from terminal illness.

The Charities Act 2006 introduced the requirement for charities to show they provided public benefit. The trustees have reviewed the objects, goals, services and objectives of the charity in the light of this requirement and can confirm that St Luke's Hospice Plymouth serves for the public benefit. This trustees' annual report continues to evidence how the charity strives to meet need.

### St Luke's Key Strategic Principles

- To be innovative and efficient within current resources and the relevant evidence base
- To ensure employees have the skills, knowledge and motivation in relation to their roles in order to deliver excellent service
- To continue the process of developing a truly integrated organisation.
- To deliver appropriate care, where needed, to a wider group and to stop delivering services which others can, or do, provide
- To develop the provision of Education and Support to those caring for patients at the End of Life
- To develop additional sources of income and hence achieve sufficient surplus to build reserves to 6 months expenditure and develop new initiatives
- To ensure public involvement and consultation working in partnership with the NHS, Social Services and other stakeholders

### Mission Statement

- St Luke's provides Specialist Palliative Care for the population of Plymouth, South West Devon and East Cornwall and aspires to be a National Leader. We work in Partnership with others, delivering the Education and Support required to ensure the provision of excellent End of Life Care. We aim to increase resources into the Services through Innovation and Enterprise and to be an 'Employer of Distinction', achieving Best Practice professionally throughout the service.

### Our vision and values

- Our service will be caring and holistic. We will be honest and we will respect and listen to our patients and their carers, treating everyone with courtesy, kindness and empathy. We will be passionate and visionary. We will strive at all times for a quality service that uses resources well.
- Our values can be summarised as Giving Time for Quality Care: Exhibiting Professionalism, Respect, Compassion and Integrity. We achieve this by:

## **St Luke's Hospice Plymouth Board of Trustees' Report (continued)**

### *Professionalism*

- Striving for excellence in everything we do.
- Setting high standards and challenging ourselves to do our best.
- Going the extra mile when necessary.
- Remaining patient focused and committed to patient care.
- Adopting a positive approach to our own self-development.
- Being open to change to enhance quality of care.
- Having the courage of our convictions.
- Inspiring creativity, passion, optimism and fun.

### *Respect*

- Taking time to say "thank you"
- Being fair and treating everyone with respect.
- Embracing diversity; respecting the breadth of cultures, values and traditions.
- Openly recognising and acknowledging the achievement of others.
- Respecting the dignity and rights of all individuals in all dealings.
- Welcoming the opinions and ideas of all people.
- Being prepared to trust and learn from others.

### *Compassion*

- Giving time to listen, and giving time to care.
- Being present for others without judgement.
- Offering hope, comfort and support when required.
- Understanding a position from others' perspective.
- Making the difference.

### *Integrity*

- Being positive and realistic about our abilities.
- Keeping our promises.
- Communicating information honestly, openly and straightforwardly.
- Maintaining high moral and ethical standards.
- Being real.
- Having the personal courage to take the right tough decisions.

## **The services we provide**

Patients, for whom curative treatment is not possible, need active, total care, by a multi-professional team; who will consider their physical, emotional, social and spiritual symptoms. This care is called "specialist palliative care". In addition to paid staff, patients are supported by a team of over 920 volunteers.

St Luke's Hospice Plymouth, the charity, has worked hard over the years to ensure patients with advanced life limiting illness receive good care in the local area (Plymouth, South West Devon and East Cornwall), regardless of which organisation is caring for them. One result of this work is that the charity now manages specialist palliative care services for the local NHS. This overall integrated service, St Luke's Services, has been summarised into five areas for the purpose of the accounts, as below.

### **(i) Inpatient Care**

Our 20 bed in-patient unit lies at the centre of our activities. Patients stay on average 10.8 days. A multi-disciplinary team provides comprehensive care, both to provide terminal care (half our admissions), and to bring symptoms under control, enabling patients to return to their homes or to nursing care. Social work support, Physiotherapy, Occupational Therapy, Spiritual care, and Complementary therapies are provided for patients and their families.

## St Luke's Hospice Plymouth Board of Trustees' Report (continued)

### (ii)Community Services

The **St Luke's Community Specialist Palliative Care Service** is a multi-disciplinary service offering home based support and advice on pain and symptom management and giving emotional and psychological support to people with cancer or life threatening illnesses, and their families.

The **Day Hospice service** provides support to patients with life threatening illness, offering access to advice, activities, emotional and social support, complementary therapies, respite for carers and other support such as hairdressing and chiropody.

The **St Luke's Befriending Service** offers companionship and emotional and practical support to patients and families at home.

In addition, St Luke's works closely with the End of Life care co-ordination centre, the Pain Management service and the central Plymouth District Nurses, who are all based at our Pearn site.

### (iii)Hospital Services and medical outpatients

The **Hospital Specialist Palliative Care team** provides specialist support, education and advice at Derriford Hospital. This service is largely funded by Plymouth Hospitals NHS trust. Medical outpatient services are offered at Pearn, and at the Hospice site, including Medical led Pain and Palliative Care Clinics.

### (iv)Education

**Education** of non-St Luke's staff takes place throughout the service, including placements for medical students, student nurses, Specialist Registrars, GP vocational trainees, other visitors (for example social workers) and work experience. We also provide specialist courses for health care professionals and provide education work into schools.

In addition we employ four posts to roll out the Liverpool Integrated Care Pathway (**LICP**) and the Gold Standards Framework (GSF). The funding for three of these posts has been secured from the NHS and the Devonport Regeneration Committee has funded one post.

### (v)Other Clinical Support

The **Lymphoedema service** provides specialist care both for palliative care patients (charity funded) and for non-palliative care patients (NHS funded).

A **Bereavement Service** is offered to the loved ones of all patients cared for by St Luke's.

**Complementary Therapies** outpatient appointments are also available for both patients and carers.

## 3. Achievements and performance

### Key activities

|                         |                                       | 2010  | 2009  |
|-------------------------|---------------------------------------|-------|-------|
| <b>In Patient Care</b>  |                                       |       |       |
| In patient Hospice care | Patients                              | 409   | 344   |
|                         | Admissions                            | 503   | 474   |
|                         | Deaths                                | 255   | 237   |
|                         | Discharges                            | 243   | 238   |
|                         | Occupied bed days                     | 5,166 | 5,377 |
|                         | Average length of patient stay (days) | 10.8  | 11.5  |

## St Luke's Hospice Plymouth Board of Trustees' Report (continued)

|  |                                      | 2010   | 2009   |
|--|--------------------------------------|--------|--------|
| <b>Community Services</b>                        |                                      |        |        |
| Community SPC service                            | Patients                             | 1,224  | 1,138  |
|  | Patient visits                       | 5,999  | 5,735  |
|  | Patient/carer phone calls            | 18,139 | 16,478 |
|  | Professional liaisons                | 18,987 | 18,809 |
| Day Care Service                                 | Patients                             | 115    | 91     |
|  | Attendances                          | 1,720  | 1,317  |
| <b>Hospital Services and Medical Outpatients</b> |                                      |        |        |
| Hospital SPC service (*)                         | Patients                             | 950    | 891    |
|  | Support contacts                     | 3,606  | 3,208  |
| Medical Outpatients                              | Patients                             | 206    | 184    |
|  | Appointments                         | 531    | 550    |
| <b>Other Clinical support</b>                    |                                      |        |        |
| Bereavement Support                              | Contacts (including telephone calls) | 554    | 715    |
| Lymphoedema                                      | Patients                             | 406    | 327    |
|  | Palliative care appointments         | 399    | 226    |
|  | NHS contracted appointments          | 1,378  | 1,035  |

(\*) Only a portion of the costs of the Hospital Specialist Palliative Care Service are shown in these accounts, the remaining part being incurred by Plymouth Hospitals NHS Trust.

### Review of 2009/10 – Key Aims

The Six Key Aims for 2009/10 were as follows:

1. To further develop our expertise as a provider of specialist palliative care in the community we serve.
2. To redefine the education strategy; delivering collaborative multi-disciplinary quality education, which reflects what is current nationally and regionally and one which meets the needs of the diverse palliative and end of life workforce
3. To implement and embed the core values of St Luke's, placing the values at the centre of every activity through communication, recruitment, development and focus groups exploring opportunities
4. To further develop integrated working through the implementation of a seamless patient pathway within the service including the development of a consistent standard approach to patient assessment and record keeping which will be the foundation for the automation of records with all stakeholders.
5. To conduct a systematic review of current organisational structures to enable St Luke's to continue to deliver an innovative cost-efficient service against a background of a challenging economic climate.
6. Increase income into the charity through innovation and social enterprise

## St Luke's Hospice Plymouth Board of Trustees' Report (continued)

Overall, good progress was made on the key aims –

**Key Aim 1.** We continued to develop our expertise/link roles in non-malignancies, nominating a MND link, holding discussions re young adults with muscular dystrophy, supporting development of the Renal LICP and delivering a non-malignant education day at Derriford which led to increased non-malignant referrals re liver failure, cardiac, renal. CVE etc. However little progress was made on funding for a dementia specific post.

There was no progress on resourcing additional palliative care beds in the hospital, but partnership working with a nursing home was researched and decided against. The potential for outreach beds in community hospitals is more promising.

Nurse prescribing as a resource for all parts of the service was reviewed and the strategy is being finalised. The hospital team now includes a fully trained independent prescriber,

All Consultants and Associate Specialists are able to cover medical duties across all sites. A formal clinical skills training course has been established and informal secondments to learn differing roles and activities continue. However, skill mix, competencies and job flexibility are being reviewed this year.

Medical Outpatient clinics now have no waiting lists longer than 4 weeks but Nurse led clinics remain under discussion.

Following changes in management of the Marie Curie Service, rapid response provision is under review by the PCT commissioners. Some rapid response outreach is provided in Kingsbridge where the team bring patients to South Hams Hospital as needed. Further research is needed to evaluate the need and effectiveness of rapid response outreach. The future format and collaboration is not clear.

Two national multicentre research trials are currently in progress. (sublingual fentanyl spray and the Edinburgh Pain Assessment tool) and Dr Stephenson published an article on assisted suicide.

Our managerial, awareness-raising and fundraising initiatives have been highlighted and recognised nationally, as has our LICP rollout but there has been disappointing progress in other areas as we have had to prioritise internal restructuring. This is an important area for 2010/11 and subsequent years.

**Key Aim 2.** A comprehensive education strategy was developed and implemented throughout our services to allow better use of our resources, generate income and respond to opportunities for future.

We ran successful GP palliative care update evenings in Plymouth and Devon and the Community based teams have been working hard in engaging with GP practices by establishing regular GSF/LCP meetings.

We had another successful year further developing the PMS programme and piloting the first SSU, which has been well evaluated.

Preliminary work has started on developing a regional conference, highlighting that there will be some resource issues fulfilling this goal. This objective will be carried over to strategic plans re stakeholder engagement in 2010/2011.

The Education department was successful in securing a DOH bid to be a pilot site to carry out a comprehensive Training Need Analysis of communications training for all staff involved in delivering End of Life Care within Plymouth and surrounding areas. In a recent review by the DOH our team was highly praised for their approach to this project and their work will be shared as an exemplar with the other pilot sites throughout the country.

The LICP team presented prize-winning posters at several national conferences and national conference presentations were given by the Chief Executive, Medical Director and Deputy Chief Executive.

**Key Aim 3.** Values workshops were carried out, aimed at all staff, trustees and volunteers. The resulting revised "Values of St Luke's – Giving time for quality care" were widely circulated (by newsletter, in team meetings and in-house posters) and have been embedded in the business planning process. Focus groups have been set up to deal with specific operational problems thus empowering all levels of staff to work in accordance with the identified values.

## St Luke's Hospice Plymouth Board of Trustees' Report (continued)

Multi disciplinary teams have been set up to review processes and facilitate cross-site clinical note sharing. Improvements have been made in simplifying documentation and a new patient record system has been selected. A restructuring of the medical secretarial function across the service has meant that the team are now effectively led and structured in order to implement and administer the new system which will ensure that patient information is available to all members of the St Luke's team, wherever they or the patient are located.

**Key Aim 4.** Following a detailed review, a number of Senior Management Team changes have been made to improve the efficiency and effectiveness of St Luke's. The new structure supports integrated service delivery and support services working across the organisation. The Director of Clinical Services is now responsible for the delivery of all patient services and the management of the clinical staff. The Medical Director, who remains the professional lead, providing medical advice to the Senior Management team and the Board of Trustees, supports him in this. A new post – Head of Quality and Compliance has been created, reflecting the importance of the clinical governance agenda and the necessity to comply with all relevant legislation and the requirements of the inspecting bodies including the Care Quality Commission and the Charity Commission.

**Key Aim 5.** The Day Hospice now operates two charging non-specialist palliative care days for a wider population. With funding from the Pearn Trustees, further rooms have been sublet, which has generated income, whilst promoting partnership-working and sharing best practice with other organisations with a similar remit.

Utilising the current availability of cheaper shop leases has enabled us to secure new trading units including a 2,800 sq ft prime selling unit. A new electronic point of sale system is being implemented to allow gift aid reclaim on donated goods. Niche shops targeting different segments of our population (bookshops, retro and vintage, furniture, occasion wear etc) are being developed. We have acquired a large vehicle to pilot mobile trading and awareness raising in rural areas.

The Lottery Canvassing Team is being expanded to recruit new members while maximising retention of existing members.

**Key Aim 6.** A review of fundraising activities resulted in replacement of underperforming products. The Midnight Walk has been expanded and achieved the highest sum raised on the South Coast of England. New events (e.g. the Men's Bike Event) are under investigation. Viral marketing has been established and Investigation is currently underway to enhance online registration.

Funding was obtained to research the establishment of a social enterprise.

A new "wish list" process has been established and clear identification of suitable bids has been implemented. A successful bid was submitted to the Department of Health for capital improvements to the inpatient unit.

### 4. Financial review.

Our charitable activities are categorised under five areas in the statement of financial activities:

In patient care

Community services

Hospital services and medical outpatients

Education

Other clinical support

The year ended 31 March 2010 generated a surplus before revaluation of investments of £95,985, which is considered very satisfactory, as a deficit budget had been set for 2010 given the volatile financial markets and uncertainty in the national economic and political climate.

## St Luke's Hospice Plymouth Board of Trustees' Report (continued)

Total incoming resources increased by 7% from £6,741,431 to £7,148,840. Of our income 27% is from the public sector, so we have to invest heavily in fundraising activities. We spent £4,672,623 on our charitable activities and £2,336,294 to generate extra income through the charity retail division, lottery and fundraising events.

### Incoming resources

**Donations and Gifts:** This source of income saw an increase of 20% to £1,624,968 which represents 23% of our total income. This includes over £190,000 (before gift aid) raised from 'The Midnight Walk' which was one of the biggest events of its type on the South Coast of England.

**Bequests:** Income streams to the charity such as bequests vary greatly year on year and this year we received £1,033,155.

**Shops:** As part of the planned expansion programme the retail division opened four new shops in Plymouth and the surrounding area to bring the total at the year end to 28. Total turnover was £1,677,867 representing an increase of 18%. Operational costs increased similarly to £1,161,519 to contribute £516,348 (2009 £453,674) towards our charitable activities. During the year we committed to investing in a point of sale till system at a cost of £150,000 to modernise the system and in the long run enable the charity to take advantage of the gift aid scheme. A down payment of £34,254 is shown in prepayments and the remainder is shown as a capital commitment.

The operation of the shops was transferred into the Charity on 30 November 2009 from the Trading Company.

**Lottery:** Numbers of players increased in the year resulting in a 7% increase in income to £505,578 with a smaller increase in running costs enabling a £239,317 (2009 £215,683) contribution to our charitable activities.

**Public sector funding:** Grant income which is primarily from the NHS remained at a similar level of 27% of our total income £1,933,313 and includes a one-off grant of £88,751 for End of Life Care Education projects.

**Investment income:** The low Bank of England base rate resulted in a decrease of interest receivable on saving type investments and a volatile global economy caused a decrease in dividends declared. Hence investment income decreased by 31% to £63,540.

**Other income:** Other Income is mainly attributable to costs of seconded staff that have been reimbursed by the acute hospital trust, and food sales

### Resources expended

Total expenditure increased by 3.5% to £7,052,855 with 72% of our expenditure being on human resource. Expenditure on employees and support costs involved in charitable activities accounted for 66% of our total expenditure. There were some savings in the reorganisation of services involving other organisations: the Outreach service is now operated by the Cancer Support Team, and the Marie Curie Service is now supported directly by Marie Curie and the PCT.

The shops division, lottery and the fundraising department accounted for 31% of our expenditure. For every £1 we spent on generating income we raised £2.21 of income. Fundraising department expenditure increased by 6% (£46,554) as part of the Hospice's strategic plan to reduce its funding gap.

Expenditure on governance of the charity amounted to 3% of expenditure at £43,938.

### Surplus & funds

The surplus for the year before gain on investments was £95,985. The market value of the investment portfolio made a recovery in value from the prior year end. A gain on investments of £216,332 was made, giving a total surplus for the year of £312,317.

After taking account for movements in restricted funds and the funding of the buildings, available funds have increased by £441,313 to £2,625,530, just short of the six months of budgeted running costs (net of direct fundraising costs) we plan to hold in reserves.

## St Luke's Hospice Plymouth Board of Trustees' Report (continued)

The Trustees of St Luke's would like to express their gratitude to the staff and volunteers who have worked so hard to achieve this pleasing result.

### The contribution of volunteers

St Luke's Hospice Plymouth is a charity that was founded by volunteers and it continues to rely on significant contribution from volunteers. The contribution of over 920 volunteers over the year was the equivalent of 160 full time staff; put another way two out of every five hours worked for the Hospice were volunteered. Based on the rates for the various jobs this would have cost the Hospice £1,265,000.

We are extremely grateful to the many volunteers who give their time to raise money for the charity, or who work in our shops, lottery and hospice services to help those we are there for.

## 5. Plans for future periods

### Future strategy of St Luke's.

St Luke's positioning as a charity within the health sector remains much as it did last year and can be summarised again as follows:

We are, and are likely to remain into the future, a medium sized charity providing local care, support and education. We are committed to equality of opportunity and access to services and we aim to provide a service that is tailored to the needs of the individual and focused on those with the greatest need.

With the publication of the End of Life Care Strategy and the End of Life Care Work stream within the Darzi review of the NHS, there is now an emphasis on delivering services for the patient in the last year of life. This will continue to bring strategic opportunities and threats as local strategies are implemented, based on the national work and the local strategic health authority priorities. St Luke's has been closely involved in the development of the local End of Life care strategies, supporting, advising and providing education for generalist teams caring for the dying in the home, nursing home and hospital.

As an organisation we aim to keep in the forefront of changes, ensuring that our services are in line with best practice; whilst at the same time, valuing and developing our staff and volunteers. The maintenance and development of strong, supportive, professional relationships with stakeholder organisations is key to our continued success. Through investing in our people we hope to encourage and foster an environment of continuous learning. This can only further improve and ensure the excellence of the care and services we provide.

### Key targets for the 2010/11 financial year

The key targets for 2010/11 have been extracted from the detailed action plan include in the business plan for the year and relate to the 7 key strategic principles of St Luke's.

|   | The key strategic principle  | In order to:   | The key target  |
|---|--|--|---|
| 1 | To be innovative and efficient within current resources and the relevant evidence base   | Deliver evidence-based decisions in order to ensure quality and efficiency | A Knowledge Transfer Partnership Associate to be appointed                      |
| 2 | To ensure employees have the skills, knowledge and motivation in relation to their roles in order to deliver excellent service | Where appropriate, devolve budgets to operational management level         | Break down budgets to team leader level by July 2010                            |
| 3 | To continue the process of developing a truly integrated organisation  | Implement a computerised patient information system to aid integration     | Finalise specification and implement new clinical database throughout St Luke's |

## St Luke's Hospice Plymouth Board of Trustees' Report (continued)

|   |  |   | Services  |
|---|--|---|---|
| 4 | To deliver appropriate care, where needed, to a wider group and to stop delivering services which others can, or do, provide                       | Use our specialist skills, knowledge and experience to support generalists in further developing their skills to manage their palliative care patients more effectively | Secure funding from local PCTs to allow us to further progress the rollout of the GSF and LCP in all settings |
| 5 | To develop the provision of Education and Support to those caring for patients at the End of Life  | Implement clinical competency framework with relevant training package  | Identify skills and qualifications of all clinical staff for review by SMT by Sept 2010                       |
| 6 | To develop additional sources of income and hence achieve sufficient surplus to build reserves to 6 months expenditure and develop new initiatives | Increase income from shops and trading  | Identify 5 new retail units and open for trading, generating additional profit of £100,000                    |
| 7 | To ensure public involvement and consultation working in partnership with the NHS, Social Services and other stakeholders                          | Establish a process for more robust user involvement  | Hold a consultation and education event to include Users of the service as well as other stakeholders         |

### Financial strategy

Free reserves in 2009/10 have increased to 0.3 months short of their target level of 6 months budgeted running costs (net of direct fundraising costs). This is a very satisfactory achievement. Voluntary income is above target, a vindication of the strategy to invest in income generation.

To achieve the Strategic plan there will be additional expenditure in 2010/11, though there is not budgeted to be any real growth in expenditure (ie above inflation) for years 2 to 5 of the strategic plan. Implementation of the strategic plan will entail some changes in how the overall money is spent in future years.

Developments in Income Generation will continue from a successful base. Innovation will continue to play a role, alongside the existing successful income streams.

- Retail has taken the opportunities from the realignments on the high street to expand further, and new income from retail gift aid will come on stream in 2010/11.
- The opportunities for developing further fully funded or revenue-generating services (both statutory and non-statutory), thus allowing the overheads to be spread over a larger base, are being investigated.
- A major task for the year is lobbying the government and the local NHS, to protect the current NHS contribution to the specialist service. Latest indications, are that there is likely to be some realignment of NHS funding as the PCTs review the services they commission to support patients at the end of life, and this may be both an opportunity and a threat
- Opportunities will be taken to build on successes in existing income generation

### Investments

Investments held by the Charity have been acquired in accordance with the powers available to the Trustees. The hospice holds spare funds as a consequence of its reserves policy and will invest these spare funds in cash, stocks and shares and property. The investment policy is to achieve capital growth over the longer run, subject to a medium degree of risk. The hospice will not hold investments that are deemed by the trustees to be either I) contra to the Objects of the Charity; or II) held in such strong disregard by the Hospice's stakeholders that investing in them might materially reduce fundraising income. Currently direct investment in Tobacco companies is proscribed.

## **St Luke's Hospice Plymouth Board of Trustees' Report (continued)**

### **Risks**

Organisational Risk was reviewed by both the Senior Management Team and the Trustees in the year as part of the Hospice Governance process.

Risks continue to be monitored and managed. These include: Health and Safety, Internal Financial Risk, Reliance on legacies, Staff resourcing, Clinical risk to patients, Disaster planning, Value for money.

### **Reserves policy**

The Hospice aims to meet its charitable objects both in the short term and over the longer term. In order to avoid the need to make sudden large adjustments in the level of care provided in response to sudden dips or surges in income the Hospice aims to hold some funds in reserve.

The trustees aim to hold six months' budgeted running costs less directly allocated costs of generating funds in reserves. When these funds are available they are designated as a Revenue Reserve.

In the 2010/11 budget free reserves start the year at 5.7 months running costs, and then fall slightly in the year to 5.4 months running costs. The trustees will continue to review the situation throughout the year.

A building fund is held equivalent to the value of funds tied up in Hospice buildings. This fund (including both restricted and designated funds) is reduced in value as the buildings are depreciated.

### **Auditors**

A resolution to re-appoint Francis Clark LLP as auditors for the ensuing year will be proposed at the Annual General Meeting.

**By order of the Board**

**Stuart Elford  
Chair**

# **St Luke's Hospice Plymouth**

## **Statement of Trustees' Responsibilities**

**Year Ended 31 March 2010**

Law applicable to Charities in England and Wales requires the officers to prepare financial statements for each financial year, which give a true and fair view of the charity's financial activities during the year and of its financial position at the end of the year. In preparing financial statements giving a true and fair view, the officers should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 charity will continue its operations.

The officers are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with applicable Law. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud or other irregularities.

In so far as the officers are aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the officers have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

# **St Luke's Hospice Plymouth**

## **Independent Auditors' Report**

**Year Ended 31 March 2010**

We have audited the financial statements of St Luke's Hospice Plymouth for the year ended 31 March 2010, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and related notes. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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

### **Respective Responsibilities of Directors and Auditors**

The Trustees' (who are also directors of St Luke's Hospice Plymouth for the purposes of company law) responsibilities for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Trustees' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read the Trustees' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

### **Basis of Audit Opinion**

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

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

# **St Luke's Hospice Plymouth**

## **Independent Auditors' Report**

**Year Ended 31 March 2010**

### **Opinion**

In our opinion:

- the financial statements give a true and fair view in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the charitable company and group as at 31 March 2010 and of the group's incoming resources and application of resources, including its income and expenditure for the year then ended
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' report is consistent with the financial statements.

**Charles Evans FCA**  
**Senior Statutory Auditor**  
For and on behalf of Francis Clark LLP  
Chartered Accountants and Statutory Auditors  
North Quay House  
Sutton Harbour  
PLYMOUTH  
PL4 0RA

**Date: 19 July 2010**

# St Luke's Hospice Plymouth

## Consolidated Statement of Financial Activities

(Incorporating Income and Expenditure Account & Statement of Recognised Gains & Losses)

Year Ended 31 March 2010

|   | Notes | Unrestricted Funds<br>£ | Designated Funds<br>£ | Restricted Funds<br>£ | Total Funds<br>2010<br>£ | Total Funds<br>2009<br>£ |
|---|-------|-------------------------|-----------------------|-----------------------|--------------------------|--------------------------|
| <b>Incoming resources</b>   |       |                         |                       |                       |                          |                          |
| <b>Incoming resources from generated funds:</b>                   |       |                         |                       |                       |                          |                          |
| <b>Voluntary income:</b>  |       |                         |                       |                       |                          |                          |
| Donations and gifts   |       | 1,445,205               | -                     | 179,763               | <b>1,624,968</b>         | 1,356,876                |
| Bequests  |       | 1,033,155               | -                     | -                     | <b>1,033,155</b>         | 1,280,382                |
| <b>Activities for generating funds:</b>                           |       |                         |                       |                       |                          |                          |
| Shops   |       | 1,677,867               | -                     | -                     | <b>1,677,867</b>         | 1,414,783                |
| Lottery   |       | 505,578                 | -                     | -                     | <b>505,578</b>           | 472,254                  |
| Investment income   | 3     | 63,540                  | -                     | -                     | <b>63,540</b>            | 92,291                   |
| <b>Incoming resources from charitable activities:</b>             |       |                         |                       |                       |                          |                          |
| Public sector funding   | 4     | 1,726,319               | -                     | 206,994               | <b>1,933,313</b>         | 1,798,941                |
| Other Income  |       | 310,419                 | -                     | -                     | <b>310,419</b>           | 325,904                  |
| <b>Total incoming resources</b>                                   |       | <b>6,762,083</b>        | <b>-</b>              | <b>386,757</b>        | <b>7,148,840</b>         | <b>6,741,431</b>         |
| <b>Resources expended</b>   |       |                         |                       |                       |                          |                          |
| <b>Cost of generating funds:</b>                                  |       |                         |                       |                       |                          |                          |
| Shops   |       | 1,161,519               | -                     | -                     | <b>1,161,519</b>         | 961,109                  |
| Lottery   |       | 266,261                 | -                     | -                     | <b>266,261</b>           | 256,571                  |
| Fundraising & publicity   |       | 733,562                 | 9,754                 | 23,055                | <b>766,371</b>           | 719,817                  |
| Investment & other  |       | 128,552                 | 6,692                 | 6,899                 | <b>142,143</b>           | 77,075                   |
| <b>Charitable activities:</b>                                     |       |                         |                       |                       |                          |                          |
| In patient care   |       | 2,524,116               | 61,312                | 110,518               | <b>2,695,946</b>         | 2,657,988                |
| Community Services  |       | 1,098,260               | 19,169                | 81,457                | <b>1,198,886</b>         | 1,264,736                |
| Hospital Services & Medical                                       |       |                         |                       |                       |                          |                          |
| Outpatients   |       | 207,737                 | 2,868                 | 4,839                 | <b>215,444</b>           | 197,701                  |
| Education   |       | 237,027                 | 11,885                | 77,610                | <b>326,522</b>           | 346,651                  |
| Other clinical support  |       | 136,696                 | 4,598                 | 94,531                | <b>235,825</b>           | 276,212                  |
| <b>Governance costs</b>   |       | <b>43,372</b>           | <b>279</b>            | <b>287</b>            | <b>43,938</b>            | <b>40,056</b>            |
| <b>Other resources expended</b>                                   |       | <b>-</b>                | <b>-</b>              | <b>-</b>              | <b>-</b>                 | <b>16,953</b>            |
| <b>Total resources expended</b>                                   | 6     | <b>6,537,102</b>        | <b>116,557</b>        | <b>399,196</b>        | <b>7,052,855</b>         | <b>6,814,869</b>         |
| Net incoming / (outgoing) resources for the year before transfers |       | 224,981                 | (116,557)             | (12,439)              | <b>95,985</b>            | (73,438)                 |
| Transfer between funds  |       | (252,000)               | 252,000               | -                     | -                        | -                        |
| <b>Net incoming / (outgoing) resources</b>                        |       | <b>(27,019)</b>         | <b>135,443</b>        | <b>(12,439)</b>       | <b>95,985</b>            | <b>(73,438)</b>          |
| Gains / (losses) on investment assets                             |       | 216,332                 | -                     | -                     | <b>216,332</b>           | (169,025)                |
| <b>Net movement in funds</b>                                      |       | <b>189,313</b>          | <b>135,443</b>        | <b>(12,439)</b>       | <b>312,317</b>           | <b>(242,463)</b>         |
| Funds at 1/4/2009   |       | 108,217                 | 3,967,596             | 1,462,909             | <b>5,538,722</b>         | 5,781,185                |
| <b>Funds at 31/03/2010</b>  |       | <b>297,530</b>          | <b>4,103,039</b>      | <b>1,450,470</b>      | <b>5,851,039</b>         | <b>5,538,722</b>         |

# St Luke's Hospice Plymouth

## Balance Sheet

31 March 2010

|   |       | Group            |           | Charity          |           |
|---|-------|------------------|-----------|------------------|-----------|
|   |       | 2010             | 2009      | 2010             | 2009      |
|   | Notes | £                | £         | £                | £         |
| <b>Fixed assets</b>                                   |       |                  |           |                  |           |
| Tangible  | 11    | <b>3,174,121</b> | 3,378,238 | <b>3,173,567</b> | 3,367,218 |
| Investments   | 12    | <b>990,606</b>   | 773,691   | <b>990,608</b>   | 773,693   |
|   |       | <b>4,164,727</b> | 4,151,929 | <b>4,164,175</b> | 4,140,911 |
| <b>Current assets</b>                                 |       |                  |           |                  |           |
| Stocks  | 13    | <b>9,086</b>     | 10,687    | <b>3,450</b>     | 3,300     |
| Debtors   | 14    | <b>525,635</b>   | 451,636   | <b>604,107</b>   | 493,715   |
| Cash at bank and in hand                              |       | <b>1,622,255</b> | 1,376,834 | <b>1,502,427</b> | 1,278,965 |
|   |       | <b>2,156,976</b> | 1,839,157 | <b>2,109,984</b> | 1,775,980 |
| <b>Creditors: amounts falling due within one year</b> | 15    | <b>470,664</b>   | 452,364   | <b>390,742</b>   | 345,791   |
| <b>Net current assets</b>                             |       | <b>1,686,312</b> | 1,386,793 | <b>1,719,242</b> | 1,430,189 |
| <b>Total assets less current liabilities</b>          |       | <b>5,851,039</b> | 5,538,722 | <b>5,883,417</b> | 5,571,100 |
| <b>Funds</b>  |       |                  |           |                  |           |
| <b>Unrestricted funds:</b>                            |       |                  |           |                  |           |
| Revaluation reserve                                   | 16    | <b>296,816</b>   | 107,458   | <b>296,816</b>   | 107,458   |
| General funds   | 17    | <b>33,092</b>    | 33,137    | <b>33,092</b>    | 33,137    |
| Non-charitable trading funds                          | 17    | <b>(32,378)</b>  | (32,378)  | -                | -         |
| <b>Designated funds</b>                               | 17    | <b>4,103,039</b> | 3,967,596 | <b>4,103,039</b> | 3,967,596 |
| <b>Restricted funds</b>                               | 17    | <b>1,450,470</b> | 1,462,909 | <b>1,450,470</b> | 1,462,909 |
|   |       | <b>5,851,039</b> | 5,538,722 | <b>5,883,417</b> | 5,571,100 |

The consolidated financial statements on pages 16 to 32 were approved by the Trustees on 13 July 2010 and were signed on its behalf by:

**S Elford, Chairman**

**G Northcott, Honorary Treasurer**

# St Luke's Hospice Plymouth

## Consolidated Cash Flow Statement

Year Ended 31 March 2010

|  |       | 2010                  | 2009                    |
|--|-------|-----------------------|-------------------------|
|  | Notes | £                     | £                       |
| <b>Net cash inflow / (outflow) from operating activities</b>                         | 23    | <u>163,913</u>        | <u>(84,229)</u>         |
| <b>Returns on investments and servicing of finance</b>                               |       |                       |                         |
| Interest received  |       | 6,248                 | 37,082                  |
| Investment income received   |       | 57,292                | 55,209                  |
| <b>Net cash inflow from returns on investments and servicing of finance</b>          |       | <u>63,540</u>         | <u>92,291</u>           |
| <b>Capital expenditure and financial investment</b>                                  |       |                       |                         |
| Purchase of tangible fixed assets  |       | (112,866)             | (166,214)               |
| Purchase of investments  |       | (94,383)              | (346,609)               |
| Sale of investments and investment properties  |       | 225,217               | 291,383                 |
| <b>Net cash inflow / (outflow) from capital expenditure and financial investment</b> |       | <u>17,968</u>         | <u>(221,440)</u>        |
| <b>Increase/(Decrease) in cash</b>   | 24    | <u><u>245,421</u></u> | <u><u>(213,378)</u></u> |

# St Luke's Hospice Plymouth

## Notes and Accounting Policies

Year ended 31 March 2010

### 1. Accounting convention and basis of consolidation

The consolidated financial statements have been prepared under the historical cost convention, except for investments, which are included at market value.

The Charity has availed itself of paragraph 3(3) of Schedule 4 of the Companies Act and adapted the Companies Act formats to reflect the special nature of the Charity's activities.

The consolidated financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom including the requirements of the SORP. A summary of the significant accounting policies, which have been applied consistently, is set out below.

The Statement of Financial Activities, Balance Sheet and Cash Flow Statement consolidate the financial statements of the Charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate statement of financial activities has been presented for the Charity alone as permitted by the Companies Act 2006, and paragraph 397 of the SORP.

#### Incoming resources

- Income is attributable to the principal activity of providing a service for the care of people suffering from terminal illness and related services and comprises donations, grants, education fees, fundraising and bequests.
- **Voluntary Income:**
  - General donations are accounted for when received.
  - Bequests are recognised when their entitlement, certainty and measurability have been established. Bequests in the form of investments or property are credited at the lower of probate or market value.
- **Activities for generating funds:**
  - Shops income: money raised from the charity shops is recognised on receipt.
  - Lottery income: Money raised from lottery members is recognised as income only as it is applied to the draw.
- **Incoming resources from Charitable activities:**
  - Public sector funding: grants are taken to the Statement of Financial Activities on a receivable basis.

#### Resources expended

- Resources expended are, where possible, allocated directly to one of the four cost centres for generating funds, the five services, or the governance costs in line with SORP 2005 requirements. Accommodation costs are apportioned on the basis of space used, and support costs are allocated directly where possible, and then apportioned on the basis of computers per team for IT costs and headcount for the remaining costs. All expenditure is accounted for on an accruals basis.
- Operating leases: Costs in respect of operating leases are charged on a straight line basis over the lease term.

#### Fixed assets

- **Tangible Fixed Assets:** The cost of tangible fixed assets is their purchase cost, together with any incidental expenses of acquisition.
- Depreciation is calculated so as to write off the cost of tangible fixed assets less their estimated residual values on a straight-line basis, over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

|                        |     |
|------------------------|-----|
| Freehold buildings     | 4%  |
| Equipment and vehicles | 33% |

# St Luke's Hospice Plymouth

## Notes and Accounting Policies

Year ended 31 March 2010

- Leasehold properties, improvements and premiums are depreciated over the period of the lease. Reverse premiums received on the taking over of leasehold properties are amortised over the remaining term of the lease.
- Investments: Listed investments are carried at the closing market value prevailing at the balance sheet date. Unlisted investments are carried at cost, less any provision needed to recognise a diminution in value. The net unrealised gains or losses on the revaluation of investments are taken to the revaluation reserve.

### Current Assets

- Stock: stocks are valued at the lower of cost and net realisable value. Donated goods sold in Charity shops are thus valued (and insured) at zero cost.

### Liabilities

- Pensions: The pension cost charge represents the contributions payable to a group personal pension scheme, and also to the NHS final salary pension scheme of applicable employees. The group has no liability under the schemes other than for the payment of these contributions.

### Funds

- St Luke's Hospice has various types of funds for which it is responsible and which require separate disclosure. These are as follows:
  - **Restricted Funds:** Donations or bequests received which the donor earmarks for specific purposes. Such purposes are within the overall aims of the organisation. These funds may be income only (where the capital must be retained) or income and capital (where the donation and the income there from may be utilised).
  - **Designated Funds:** St Luke's Hospice may at its discretion set aside funds for specific purposes which would otherwise form part of the general reserves of the organisation. Specifically, St Luke's Hospice has set aside funds which represent the net book value of its buildings and a Revenue Reserve to protect against sudden dips in income. As such they are not readily available for other purposes.
  - **Unrestricted Funds:** Funds which are expendable at the discretion of the Trustees in the furtherance of the objects of the charity.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 2. Net incoming / (outgoing) resources

Net incoming / (outgoing) resources for the year are after charging:

|   | 2010           | 2009           |
|---|----------------|----------------|
|   | £              | £              |
| Amortisation of leasehold property improvements | 27,276         | 27,220         |
| Depreciation of owned assets                    | 289,020        | 275,492        |
| Auditors' remuneration for audit services       |                |                |
| Charity   | 4,259          | 3,750          |
| Subsidiary                                      | 4,040          | 3,500          |
| Loss on disposal of assets - Charity            | 686            | -              |
| Rental of shop premises - operating leases      | 335,343        | 265,744        |
|   | <u>335,343</u> | <u>265,744</u> |

### 3. Investment income

|  | 2010          | 2009          |
|--|---------------|---------------|
|  | £             | £             |
| Income from property investments       | 34,314        | 26,607        |
| Dividends from other investments       | 22,978        | 28,602        |
| Interest receivable and similar income | 6,248         | 37,082        |
|  | <u>63,540</u> | <u>92,291</u> |

### 4. Public sector funding

During the year the following grants were receivable by the Hospice:

|   | 2010             | 2009             |
|---|------------------|------------------|
|   | £                | £                |
| <b>NHS Trusts:</b>                        |                  |                  |
| Basic funding                             | 674,299          | 646,779          |
| For purchase of drugs                     | 134,617          | 131,719          |
| Lymphoedema Services                      | 86,716           | 84,370           |
| Share of Network Monies                   | 411,936          | 410,000          |
| Community Specialist Palliative Care team | 470,756          | 460,622          |
| To cover pension                          | 31,527           | 31,527           |
| End of Life Care Education Projects       | 88,751           | -                |
| <b>Local government:</b>                  |                  |                  |
| Social Services basic funding             | 34,711           | 33,924           |
|   | <u>1,933,313</u> | <u>1,798,941</u> |

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 5. Net income from trading activities of subsidiaries

The Charity has one wholly owned trading subsidiary, which is incorporated in England and Wales. St Luke's Hospice Plymouth Trading Company Limited operates a lottery and until November 2009 operated a chain of retail shops. The chain of retail shops were transferred into the Charity on 30 November 2009. In addition to raising valuable funds, the shops play an important role informing the public about the work of the charity. The taxable profits of the company are paid by Gift Aid to St Luke's Hospice Plymouth and the company also pays interest on loans from St Luke's Hospice Plymouth. Audited accounts are filed with the Registrar of Companies. A summary of the trading results is shown below:

| <b>Profit and loss account</b>                                | <b>2010</b>      | 2009        |
|---|------------------|-------------|
|   | £                | £           |
| <b>Turnover</b>   | <b>1,639,328</b> | 1,891,112   |
| Cost of sales   | <b>(143,348)</b> | (140,160)   |
| <b>Gross profit</b>   | <b>1,495,980</b> | 1,750,952   |
| Operating expenses  | <b>(902,336)</b> | (1,093,957) |
| <b>Operating profit</b>                                       | <b>593,644</b>   | 656,995     |
| Interest payable  | <b>(5,000)</b>   | (5,000)     |
| Interest receivable   | <b>50</b>        | 2,025       |
| <b>Net trading profit</b>                                     | <b>588,694</b>   | 654,020     |
| Gift Aid donation to St Luke's Hospice Plymouth               | <b>(588,678)</b> | (649,458)   |
| <b>Profit / (Loss) on ordinary activities before taxation</b> | <b>16</b>        | 4,562       |
| <b>Tax on profit/(loss) on ordinary activities</b>            | <b>(16)</b>      | (4,562)     |
|   | <b>-</b>         | -           |
| <br><b>Balance sheet</b>                                      | <br><b>2010</b>  | <br>2009    |
|   | £                | £           |
| Assets  | <b>132,908</b>   | 231,917     |
| Liabilities   | <b>(165,284)</b> | (264,293)   |
| Capital   | <b>2</b>         | 2           |
| Reserves  | <b>(32,378)</b>  | (32,378)    |

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 6. Analysis of total resources expended

|  | Employment<br>Costs | Other            | Depreciation   | Total<br>Funds<br>2010 | Total<br>Funds<br>2009 |
|--|---------------------|------------------|----------------|------------------------|------------------------|
|  | £                   | £                | £              | £                      | £                      |
| Patient care   | 3,114,219           | 303,358          | 46,242         | <b>3,463,819</b>       | 3,427,027              |
| Costs of generating funds                                      | 1,083,228           | 921,268          | 15,376         | <b>2,019,872</b>       | 1,768,418              |
| Housekeeping,<br>maintenance,<br>administration and<br>finance | 879,598             | 434,888          | 254,678        | <b>1,569,164</b>       | 1,619,424              |
|  | <b>5,077,045</b>    | <b>1,659,514</b> | <b>316,296</b> | <b>7,052,855</b>       | <b>6,814,869</b>       |

### 7. Trustees' remuneration, staff numbers and costs

The aggregate payroll costs were as follows:

|                    | 2010<br>£        | 2009<br>£        |
|--------------------|------------------|------------------|
| Wages and salaries | <b>4,469,729</b> | 4,324,900        |
| Social Security    | <b>320,106</b>   | 315,150          |
| Pension costs      | <b>287,210</b>   | 262,910          |
|                    | <b>5,077,045</b> | <b>4,902,960</b> |

Trustees did not receive any remuneration for their services as trustees during the year. Wages and salaries include other employee benefits such as training and a health benefits scheme.

The average number of full and part time employees and consultants during the year was 238 (2009: 226). The full time equivalent staff numbers were as follows:

|                                 | 2010<br>f.t.e | 2009<br>f.t.e |
|---------------------------------|---------------|---------------|
| Clinical and direct care        | <b>77</b>     | 79            |
| Direct Support (hotel services) | <b>22</b>     | 22            |
| Office and Administration       | <b>29</b>     | 28            |
| Fund generating teams           | <b>62</b>     | 54            |
| <b>Total staff</b>              | <b>190</b>    | <b>183</b>    |

The number of employees whose emoluments during the year were above £60,000 is as follows: within the £60,000 to £70,000 band: 0 (2009:1), £70,000 to £80,000 band: 1 – (2009:0), £80,000 to £90,000 band: 1 – (2009:1). Of these staff one was in the Hospice Group Personal Pension scheme, Hospice contributions were 7%, and the other was in the NHS Pension Scheme, a defined benefit scheme.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 8. Support costs allocation

|                                    | Management     | Finance        | IT             | HR             | Total          |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| <b>Cost of generating funds</b>    |                |                |                |                |                |
| Shop                               | -              | 18,895         | 1,260          | -              | <b>20,155</b>  |
| Lottery                            | -              | 18,894         | 4,661          | -              | <b>23,555</b>  |
| Fundraising and Publicity          | 14,882         | 33,147         | 40,714         | 35,196         | <b>123,939</b> |
| Investment and other               | -              | 2,580          |                |                | <b>2,580</b>   |
| <b>Charitable activities</b>       |                |                |                |                |                |
| In Patient Care                    | 54,968         | 46,189         | 30,659         | 130,007        | <b>261,823</b> |
| Community Services                 | 21,386         | 17,971         | 23,458         | 50,580         | <b>113,395</b> |
| Hospital services and medical opts | 4,291          | 3,606          | 2,952          | 10,149         | <b>20,998</b>  |
| Education                          | 6,226          | 5,232          | 15,977         | 14,726         | <b>42,161</b>  |
| Other Clinical Support             | 4,897          | 4,115          | 6,782          | 11,579         | <b>27,373</b>  |
| <b>Governance costs</b>            | <b>827</b>     | <b>16,177</b>  | <b>1,378</b>   | <b>1,955</b>   | <b>20,337</b>  |
| <b>Total</b>                       | <b>107,477</b> | <b>166,806</b> | <b>127,841</b> | <b>254,192</b> | <b>656,316</b> |

Support costs are allocated on the following basis: costs are allocated directly where possible for IT items and then on the basis of computers per team; finance costs are apportioned partly on the basis of time taken to support income generation, and partly on a headcount basis; the remaining costs are apportioned on the basis of headcount.

### 9. Taxation

The company is a registered charity. As such it is entitled to certain tax exemptions on income and profits from investments and surpluses on any trading activities carried on in furtherance of the Charity's primary objectives provided that these profits and surpluses are applied solely for charitable purposes.

### 10. Pension schemes

The group provides a group personal pension scheme to employees, which is operated by Scottish Life. The scheme is of a defined contribution type. The cost of the contribution to the group scheme for the year was £129,248 (2009: £106,461). Some employees have continued membership of the NHS Pension Scheme. The cost of the group contribution to this scheme for the year was £141,578 (2009: £136,995).

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 11. Tangible fixed assets

#### Group

|                          | Freehold<br>land and<br>buildings<br>£ | Equipment<br>and<br>furniture<br>£ | Shop<br>fixtures<br>and fittings<br>£ | Motor<br>vehicles<br>£ | Assets under<br>Construction<br>£ | Total<br>£       |
|--------------------------|--|------------------------------------|---------------------------------------|------------------------|-----------------------------------|------------------|
| <b>Cost or valuation</b> |  |                                    |                                       |                        |                                   |                  |
| At 1 April 2009          | 5,151,891                              | 896,398                            | 120,144                               | 114,613                | -                                 | 6,283,046        |
| Additions                | -                                      | 65,224                             | 21,234                                | 18,901                 | 7,507                             | 112,866          |
| Disposals                | -                                      | (51,956)                           | (117,858)                             | (30,396)               | -                                 | (200,210)        |
| <b>At 31 March 2010</b>  | <b>5,151,891</b>                       | <b>909,666</b>                     | <b>23,520</b>                         | <b>103,118</b>         | <b>7,507</b>                      | <b>6,195,702</b> |
| <b>Depreciation</b>      |  |                                    |                                       |                        |                                   |                  |
| At 1 April 2009          | 1,991,116                              | 715,650                            | 111,509                               | 86,533                 | -                                 | 2,904,808        |
| Charge for year          | 200,817                                | 93,590                             | 7,635                                 | 14,254                 | -                                 | 316,296          |
| Disposals                | -                                      | (51,483)                           | (117,644)                             | (30,396)               | -                                 | (199,523)        |
| <b>At 31 March 2010</b>  | <b>2,191,933</b>                       | <b>757,757</b>                     | <b>1,500</b>                          | <b>70,391</b>          | <b>-</b>                          | <b>3,021,581</b> |
| <b>Net book value</b>    |  |                                    |                                       |                        |                                   |                  |
| <b>At 31 March 2010</b>  | <b>2,959,958</b>                       | <b>151,909</b>                     | <b>22,020</b>                         | <b>32,727</b>          | <b>7,507</b>                      | <b>3,174,121</b> |
| At 31 March 2009         | 3,160,775                              | 180,748                            | 8,635                                 | 28,080                 | -                                 | 3,378,238        |

#### Charity

|                          | Freehold<br>land and<br>buildings<br>£ | Equipment<br>and<br>furniture<br>£ | Motor<br>vehicles<br>£ | Assets under<br>Construction<br>£ | Total<br>£       |
|--------------------------|--|------------------------------------|------------------------|-----------------------------------|------------------|
| <b>Cost or valuation</b> |  |                                    |                        |                                   |                  |
| At 1 April 2009          | 5,151,891                              | 890,238                            | 91,528                 | -                                 | 6,133,657        |
| Additions                | -                                      | 87,457                             | 17,789                 | 7,507                             | 112,753          |
| Disposals                | -                                      | (50,809)                           | (6,199)                | -                                 | (57,008)         |
| <b>At 31 March 2010</b>  | <b>5,151,891</b>                       | <b>926,886</b>                     | <b>103,118</b>         | <b>7,507</b>                      | <b>6,189,402</b> |
| <b>Depreciation</b>      |  |                                    |                        |                                   |                  |
| At 1 April 2009          | 1,991,116                              | 710,502                            | 64,821                 | -                                 | 2,766,439        |
| Charge for the year      | 200,817                                | 93,132                             | 11,769                 | -                                 | 305,718          |
| Disposals                | -                                      | (50,123)                           | (6,199)                | -                                 | (56,322)         |
| <b>At 31 March 2010</b>  | <b>2,191,933</b>                       | <b>753,511</b>                     | <b>70,391</b>          | <b>-</b>                          | <b>3,015,835</b> |
| <b>Net Book value</b>    |  |                                    |                        |                                   |                  |
| <b>At 31 March 2010</b>  | <b>2,959,958</b>                       | <b>173,375</b>                     | <b>32,727</b>          | <b>7,507</b>                      | <b>3,173,567</b> |
| At 31 March 2009         | 3,160,775                              | 179,736                            | 26,707                 | -                                 | 3,367,218        |

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 12. Investments

#### Group

|                         | <b>Listed</b>  |
|-------------------------|----------------|
| <b>Valuation</b>        | <b>£</b>       |
| At 1 April 2009         | 773,691        |
| Additions               | 95,800         |
| Disposals               | (77,298)       |
| Revaluation             | 198,413        |
| <b>At 31 March 2010</b> | <b>990,606</b> |

Under historical cost principles, the historical cost of investments at 31 March 2010 was £797,328 (2009: £777,714). The investment of the Charity includes the 2 £1 shares in St Luke's Hospice Plymouth Trading Company Limited, a company incorporated in England and Wales, which represents the whole of the share capital.

The listed securities are administered by Brewin Dolphin Ltd. The portfolio is held as a long term investment. The composition of the portfolio is as advised by Brewin Dolphin Ltd based on operating instructions agreed by the Trustees. The listed securities are made up as follows:

|                         | <b>Government<br/>Stock</b> | <b>Direct<br/>Investments</b> | <b>Unit Trusts &amp;<br/>Investment<br/>Companies</b> | <b>Total</b>   |
|-------------------------|-----------------------------|-------------------------------|---|----------------|
|                         | <b>£</b>                    | <b>£</b>                      | <b>£</b>  | <b>£</b>       |
| UK Investments          | 130,249                     | 552,972                       | 226,907   | 910,128        |
| Overseas Investments    | -                           | 41,456                        | 39,022  | 80,478         |
| <b>At 31 March 2010</b> | <b>130,249</b>              | <b>594,428</b>                | <b>265,929</b>  | <b>990,606</b> |

No restrictions exist on the realisation of these assets. The following material investments were held at the 31 March 2010:

| <b>Holding</b>                            | <b>Investment</b> | <b>Market Value<br/>£</b> |
|---|-------------------|---------------------------|
| STANDARD LIFE INVS GLOBAL IDX LKD BD RETL | <b>70,000</b>     | <b>85,820</b>             |
| UK GOV STOCK 26/07/16                     | <b>28,000</b>     | <b>84,641</b>             |
| BLACKROCK AM UK CHARISHARE ACC            | <b>7,146</b>      | <b>71,256</b>             |

During the year the Charity was gifted a property which was subsequently sold. The property was valued and sold for £130,000.

### 13. Stock

|                  | <b>Group</b> |        | <b>Charity</b> |       |
|------------------|--------------|--------|----------------|-------|
|                  | <b>2010</b>  | 2009   | <b>2010</b>    | 2009  |
|                  | <b>£</b>     | £      | <b>£</b>       | £     |
| Goods for resale | <b>5,543</b> | 5,608  | <b>850</b>     | 700   |
| Stationery stock | <b>3,543</b> | 5,079  | <b>2,600</b>   | 2,600 |
|                  | <b>9,086</b> | 10,687 | <b>3,450</b>   | 3,300 |

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 14. Debtors

|                                | Group          |         | Charity        |         |
|--------------------------------|----------------|---------|----------------|---------|
|                                | 2010           | 2009    | 2010           | 2009    |
|                                | £              | £       | £              | £       |
| Trade debtors                  | <b>181,618</b> | 214,309 | <b>180,043</b> | 213,631 |
| Amounts owed by group company  | -              | -       | <b>80,112</b>  | 152,470 |
| Taxation recoverable           | <b>59,484</b>  | 33,626  | <b>59,484</b>  | 28,022  |
| Vat Recoverable                | <b>16,423</b>  | -       | <b>16,423</b>  | -       |
| Other debtors                  | <b>30,692</b>  | 12,045  | <b>26,917</b>  | 5,855   |
| Prepayments and accrued income | <b>237,418</b> | 191,656 | <b>241,128</b> | 93,737  |
|                                | <b>525,635</b> | 451,636 | <b>604,107</b> | 493,715 |

Of the above amounts, £50,000 (2009: £50,000) owed from the company's subsidiary is due after more than one year. The loan was secured by a debenture with a fixed and floating charge.

### 15. Creditors - Amounts falling due within one year

|                                    | Group          |         | Charity        |         |
|------------------------------------|----------------|---------|----------------|---------|
|                                    | 2010           | 2009    | 2010           | 2009    |
|                                    | £              | £       | £              | £       |
| Trade creditors                    | <b>295,249</b> | 301,400 | <b>207,475</b> | 202,668 |
| Corporation tax                    | <b>16</b>      | -       | -              | -       |
| Vat due                            | <b>4,572</b>   | -       | -              | -       |
| Other taxation and social security | <b>96,797</b>  | 113,652 | <b>107,937</b> | 108,840 |
| Accruals and deferred income       | <b>74,030</b>  | 37,312  | <b>75,330</b>  | 34,283  |
|                                    | <b>470,664</b> | 452,364 | <b>390,742</b> | 345,791 |

### 16. Revaluation reserve

| Group and Charity   | £              |
|---|----------------|
| Balance at 1 April 2009   | 107,458        |
| Unrealised gain on revaluation of investment portfolio                | 198,485        |
| Realised gain on disposal of investments, transferred to general fund | (9,127)        |
| <b>Balance at 31 March 2010</b>                                       | <b>296,816</b> |

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 17. Fund balances

|                               | Balance<br>Brought<br>Forward | Transfers               | Incoming<br>Resources   | Resources<br>Expended     | Balance<br>31 March<br>2010 |
|-------------------------------|-------------------------------|-------------------------|-------------------------|---------------------------|-----------------------------|
| Group                         | £                             | £                       | £                       | £                         | £                           |
| <b>Restricted Funds</b>       |                               |                         |                         |                           |                             |
| Building Funds                | 1,269,178                     | -                       | -                       | (84,260)                  | <b>1,184,918</b>            |
| Other Funds                   | 173,141                       | -                       | 179,763                 | (176,967)                 | <b>175,937</b>              |
| End of Life/Project Funds     | 20,590                        | -                       | 206,994                 | (137,969)                 | <b>89,615</b>               |
|                               | <u>1,462,909</u>              |                         | <u>386,757</u>          | <u>(399,196)</u>          | <u><b>1,450,470</b></u>     |
| <b>Designated Funds</b>       |                               |                         |                         |                           |                             |
| Building Funds                | 1,891,596                     | -                       | -                       | (116,557)                 | <b>1,775,039</b>            |
| Revenue Reserve               | 2,076,000                     | 252,000                 | -                       | -                         | <b>2,328,000</b>            |
|                               | <u>3,967,596</u>              | <u>252,000</u>          |                         | <u>(116,557)</u>          | <u><b>4,103,039</b></u>     |
| <b>Revaluation Reserve</b>    | 107,458                       | (9,127)                 | 198,485                 | -                         | <b>296,816</b>              |
| <b>General Funds</b>          | 33,137                        | (242,873)               | 5,140,552               | (4,897,724)               | <b>33,092</b>               |
| <b>Non-charitable trading</b> | (32,378)                      | -                       | 1,639,378               | (1,639,378)               | <b>(32,378)</b>             |
| <b>At 31 March 2010</b>       | <u><b>5,538,722</b></u>       | <u><b>(252,000)</b></u> | <u><b>7,365,172</b></u> | <u><b>(7,052,855)</b></u> | <u><b>5,851,039</b></u>     |

The Hospice Building Fund is held at a level equivalent to the net book value of freehold land and buildings owned by the Hospice and is partly made up of restricted funds, being the monies raised under building appeals and a bequest. An amount equivalent to the depreciation on the buildings, £200,817 was expended out of this fund in the year.

There was a net transfer into the Revenue Reserve of £252,000, giving a balance of £2,328,000. It is the intention of the Trustees to have sufficient funds in the Revenue Reserve to cover six months budgeted running costs less directly allocated costs of generating funds as part of its risk management strategy. The Revenue Reserve has increased to 5.1 months from 4.9 months since last year, though freely available reserves (including the Revaluation reserve) have increased to 5.7 months.

Some NHS and other income is for specific projects and programmes. These funds are treated as restricted and the balance on these funds is held as End of Life/Project Funds. The balance carried forward at the year-end was £89,615, with the balance predominantly to fund End of Life Education projects

Other restricted funds are held at a level equivalent to the net book value of capital goods bought with restricted funds plus the value of any donations for restricted purposes that remain unspent at the year-end.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 18. Analysis of net assets between funds

| Group                        | Tangible fixed assets<br>£ | Investments<br>£ | Other net assets<br>£ | Total<br>£       |
|------------------------------|----------------------------|------------------|-----------------------|------------------|
| <b>Restricted funds</b>      |                            |                  |                       |                  |
| Building Fund                | 1,184,918                  | -                | -                     | <b>1,184,918</b> |
| End of Life/Project funds    | -                          | -                | 89,615                | <b>89,615</b>    |
| Other Funds                  | 86,060                     | -                | 89,877                | <b>175,937</b>   |
|                              | <b>1,270,978</b>           | <b>-</b>         | <b>179,492</b>        | <b>1,450,470</b> |
| <b>Other funds/reserves</b>  |                            |                  |                       |                  |
| Designated Funds             | 1,903,143                  | 693,790          | 1,506,106             | <b>4,103,039</b> |
| Revaluation Reserve          | -                          | 296,816          | -                     | <b>296,816</b>   |
| Unrestricted Funds           | -                          | -                | 33,092                | <b>33,092</b>    |
| Non-charitable trading Funds | -                          | -                | (32,378)              | <b>(32,378)</b>  |
|                              | <b>1,903,143</b>           | <b>990,606</b>   | <b>1,506,820</b>      | <b>4,400,569</b> |
| <b>Total</b>                 | <b>3,174,121</b>           | <b>990,606</b>   | <b>1,686,312</b>      | <b>5,851,039</b> |

### 19. Financial commitments

At 31 March 2010 annual commitments under non-cancellable operating leases (including shop premises) were as follows:

|                                     | Group          |                | Charity        |               |
|-------------------------------------|----------------|----------------|----------------|---------------|
|                                     | 2010<br>£      | 2009<br>£      | 2010<br>£      | 2009<br>£     |
| Expiring within one year            | <b>6,321</b>   | 68,500         | <b>6,321</b>   | -             |
| Expiring between two and five years | <b>309,216</b> | 192,989        | <b>309,216</b> | 5,389         |
| Expiring in over five years         | <b>128,000</b> | 121,146        | <b>128,000</b> | 80,000        |
|                                     | <b>443,357</b> | <b>382,635</b> | <b>443,357</b> | <b>85,389</b> |

### 20. Share capital

The company is limited by guarantee and has no share capital.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 21. Related party transactions

The following related party transactions took place in the year. All trustees have declared an interest when appropriate.

| Name           | Role in Hospice                       | Related organisation              | Role in related organisation | Value of transaction   | Type of transaction  |
|----------------|---------------------------------------|-----------------------------------|------------------------------|--|--|
| Gavin Price    | Trustee & Chairman                    | Brewin Dolphin                    | Divisional Manager           | £6,987 expenditure   | Administration of Hospice investment portfolio   |
| Dr Mark Taylor | Trustee                               | Plymouth Hospitals NHS Trust      | Consultant Anaesthetist      | £275,035 income<br>£21,965 expenditure                                   | Secondments income, telephone, occ health, electric testing expenditure                |
| Sally Taylor   | Chief Executive and Company Secretary | Help the Hospices<br><br>Relative | Trustee<br><br>Relative      | £6,667 income,<br>£5,318 expenditure,<br>plus admin of DOH Capital Grant | Training grant, fares income, training course fees, employment of relative expenditure |
| David James    | Trustee                               | Plymouth City Council             | Councillor                   | £34,711 income,<br>£48,585 expenditure                                   | Grant/training income, rates, Trade Waste, planning and rent expenditure               |
| Lorna Potter   | Trustee                               | Devon PCT                         | Consultant                   | £471,586 income  | Grant Income   |
| Sarah Jones    | Trustee                               | University of Plymouth            | Director of Finance          | £112 income,<br>£2,505 expenditure                                       | Course fees income, Course fees expenditure, plus KTP partnership                      |

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 22. Income and expenditure account

|   | Continuing operations |             |
|---|-----------------------|-------------|
|   | 2010                  | 2009        |
|   | £                     | £           |
| <b>Income</b>   | <b>7,119,614</b>      | 6,675,747   |
| Operating expenses                                    | (7,052,855)           | (6,814,869) |
| <b>Operating Surplus/(Deficit)</b>                    | <b>66,759</b>         | (139,122)   |
| Investment Income                                     | <b>22,978</b>         | 28,602      |
| Realised investment gains/(losses) in the year        | <b>17,846</b>         | (51,420)    |
| Interest receivable and similar income                | <b>6,248</b>          | 37,082      |
| <b>Excess of income over expenditure for the Year</b> | <b>113,831</b>        | (124,858)   |

The income and expenditure account is presented to ensure compliance with the Companies Act 2006. The major difference in the figures from those shown in the Statement of Financial Activities is that the interest and investment income have been separately disclosed and realised gains on the disposal of investments has been shown as part of the trading results of the Hospice.

Of the surplus for the financial year a surplus of £113,815 is dealt with in the accounts of St Luke's Hospice Plymouth. The Trustees have taken advantage of the exemption available under section 230 of the Companies Act 2006 and not presented an income and expenditure account for the company alone. For Companies Act purposes the gross income of the Group is:

|  | 2010             | 2009      |
|--|------------------|-----------|
|  | £                | £         |
| Total Incoming Resources (per SOFA)              | <b>7,148,840</b> | 6,741,431 |
| Realised investment (losses) / gains in the year | <b>17,846</b>    | (51,420)  |
| Income for Companies Act purposes                | <b>7,166,686</b> | 6,690,011 |

### 23. Reconciliation of net incoming / (outgoing) resources to net cash inflow / (outflow) from operating activities

|  | Continuing operations |           |
|--|-----------------------|-----------|
|  | 2010                  | 2009      |
|  | £                     | £         |
| <b>Continuing activities</b>                                 |                       |           |
| Net incoming / (outgoing) resources for the year             | <b>95,985</b>         | (73,438)  |
| Depreciation on tangible fixed assets                        | <b>316,296</b>        | 302,712   |
| Donated fixed assets   | -                     | (2,000)   |
| Donated investments  | <b>(131,416)</b>      | (105,973) |
| Decrease / (increase) in stock                               | <b>1,601</b>          | 4,580     |
| Investment income  | <b>(63,540)</b>       | (92,291)  |
| Increase / (decrease) in debtors                             | <b>(73,999)</b>       | 88,237    |
| Loss on disposal of fixed assets                             | <b>686</b>            | -         |
| Increase / (decrease) in creditors                           | <b>18,300</b>         | (206,056) |
| <b>Net cash inflow / (outflow) from operating activities</b> | <b>163,913</b>        | (84,229)  |

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2010

### 24. Reconciliation of net cash to movement in funds

|   | 2010<br>£        | 2009<br>£        |
|---|------------------|------------------|
| Increase / (decrease) in cash in the year     | 245,421          | (213,378)        |
| Change in net funds resulting from cash flows | 245,421          | (213,378)        |
| Net funds at 1 April 2009                     | 1,376,834        | 1,590,212        |
| <b>Net funds at 31 March 2010</b>             | <b>1,622,255</b> | <b>1,376,834</b> |

### 25. Analysis of net funds

|                          | 2009<br>£ | Cash Flow<br>£ | 2010<br>£ |
|--------------------------|-----------|----------------|-----------|
| Cash at bank and in hand | 1,376,834 | 245,421        | 1,622,255 |

### 26. Capital Commitments

At the year end the Charity had made a commitment to purchase an EPOS system. The amount contracted at the year end amounted to £130,000. Of this amount £34,000 was paid prior to the year end and is included in the accounts as a prepayment. No further amounts are included in the financial statements.