



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

**St Luke's Hospice Plymouth**

**Consolidated Financial Statements**

**Year Ended 31 March 2013**

**St Luke's Hospice Plymouth**  
**Consolidated Financial Statements**  
**Year Ended 31 March 2013**

<b>Contents</b>	<b>Page</b>
Trustees and Advisors	1
Trustees' Report	2-18
Trustees' Responsibilities	19
Auditors' Report	20-21
Consolidated Statement of Financial Activities	22
Balance Sheet	23
Consolidated Cash Flow Statement	24
Notes and Accounting Policies	25-37

# **St Luke's Hospice Plymouth**

## **Board of Trustees and Advisors**

**Year Ended 31 March 2013**

### **Trustees**

Mr S Elford  
Mr A Green  
Dr S Hobbs  
Prof G Howarth  
Mrs S Jones  
Mr G Northcott  
Mr G Price  
Mr E Van Jaarsveldt  
Mrs M Williams  
Mrs J Wills

### **Company Secretary**

Mrs S 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**

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

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

### **Bankers**

Barclays Bank  
48 Mutley Plain  
PLYMOUTH  
BX3 2BB

### **Investment Managers**

Brewin Dolphin Ltd  
Vantage Point  
Woodswater Park  
Pynes Hill  
EXETER  
EX2 5FD

### **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 2013

The Board presents its report and the audited consolidated financial statements for the year ended 31 March 2013. 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'), UK Accounting Standards, the Charities Act 2011, the Companies Act (2006), and in accordance with the company's Articles of Association.

### 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 21 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 trustees' 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 services delivered by St Luke's are registered with the Care Quality Commission.

Chair	Mr Stuart Elford
Vice Chairs	Mr Guy Northcott Bsc Econ, FCA, DChA Mr Gavin Price B Tech (Hons), FSS, FCSI
Hon Treasurer	Mr Guy Northcott Bsc Econ, FCA, DChA

### ***Principal employees:***

Chief Executive	Mrs Sally Taylor BSc PGCE FCA PGDip.
Medical Director	Dr Jeffrey Stephenson BA MB BChir MSc FRCP
Director of Clinical Services	Mr George Lillie RGN RMN BSc. MSc
Deputy Chief Executive	Mr Steve Statham FCIPD MA
Director of Finance	Ms Kavita Sinnett BA CertITM-PF
Director of Income Generation & Communications	Mr Robert Parsons MinstF MCIPR

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### Trustees

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

Mrs A Broad (Resigned 29 May 2012)	Mr G Price (a,d,g)
Dr J Butler (Resigned 26 March 2013)	Dr M Taylor (resigned 29 May 2012)
Mr S Elford (Chair) (a,b,c)	Mr G Northcott (a,d,e)
Mr A Green (Appointed 29 May 2012) (g)	Mr E Van Jaarsveldt (appointed 21 May 2013) (b,c)
Dr S Hobbs (Appointed 21 May 2013) (f)	Mrs M Williams (e,f)
Prof G Howarth (b,c)	Mrs J Wills (b,c)
Mrs S Jones (d,g)	
Mr T Lewis (Resigned 29 January 2013)	

### The trustees of St Luke's serve on a number of Board committees as follows:

- a Chair's Committee
- b Governance Committee
- c HR & Remuneration Committee
- d Finance and Financial Audit Committee
- e Organisational Risk and Internal Audit Group
- f Clinical Review Group

Three Trustees are also directors of the wholly owned trading subsidiary:

- g SLH Ventures Ltd

In addition, a number of trustees attend operational groups including Health and Safety Committee, Service Development Group, Education Training & Development Group, Income Generation Group, Research, Environmental Steering Group, Communications Group, User Involvement Steering Group and Staff Forum.

### 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.

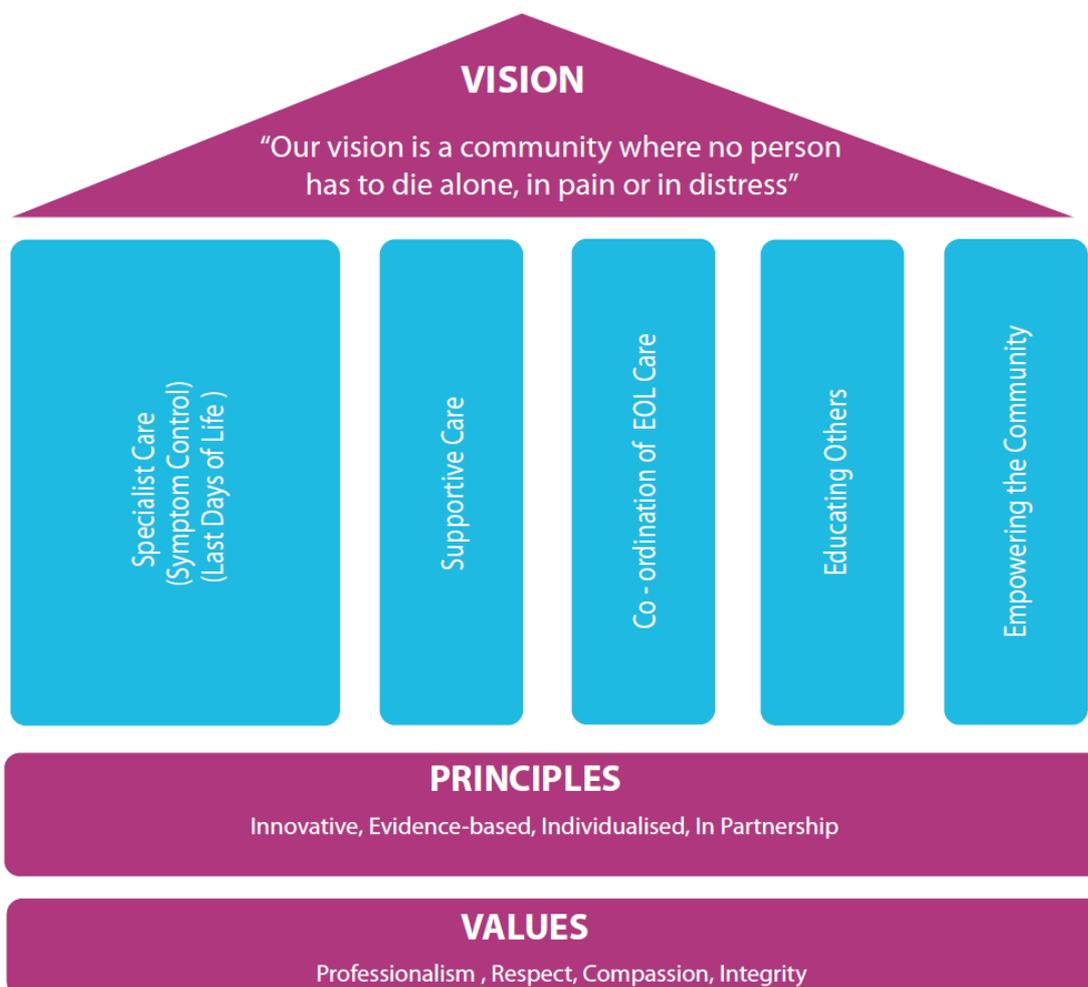
# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### Vision, Guiding Principles and Values

Our Vision is a community where no person has to die alone, in pain, or in distress



The Pillars on which the work of St Luke's is based are the services we provide. There are 5 key areas:

- the provision of specialist care,
- the provision of supportive care services,
- the co-ordination of patient care services in the last year of life,
- the education and support of other providers,
- empowering our community

Underpinning those services are our values and the principles we work within.

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### The Provision of Specialist Care

At the core of what we do is the provision of specialist care services. The focus of these services is on complex symptom control/terminal care. The service we provide will be:

- Inpatient care service
- Community based advisory service (includes outpatients)
- Hospital based specialist advisory service
- Hospice @ home crisis intervention service (currently being researched)
- Telephone advice and support

### The Provision of Supportive Care Services

We know from dealing with our patients and their carers, they are often in need of supportive care. This support can be in many forms and does not all need to be delivered by paid staff. For those services that require paid staff, we would be looking for the majority to be commissioned either through public monies, grants or by patients themselves. Some examples of the services we may run include:

- Domiciliary Care
- Respite/Longer term care placements
- Day Care Service
- Bereavement /befriending service
- Volunteers in Practice project
- Improving/creating care environments for End of Life care

### The Co-ordination of Patient Care Services in the last year of life

As identified in the End of Life Strategy for England (2008), critical to delivering effective care is the importance of a central co-ordinating facility that provides a single point of access through which all services can be co-ordinated. We are ideally placed to be involved in co-ordinating care for our local community. We would envisage such a model as not only co-ordinating referrals on behalf of the NHS but as a central point of referral to our own services.

### The Education /Support of Other Providers

The End of Life Care Strategy for England (2008) identified workforce development as one of the essential factors to the future success of the strategy's implementation. We are in a unique position to provide this education and have already seen the impact some of our education projects are having on the end of life care provided by other organisations, for example, the Six Steps programme aimed at care homes and domiciliary care agencies.

In the ongoing development of these services, the following will be critical:

- Pump priming of new initiatives
- Sustainable models of delivery
- Evidence that initiatives improve patient care experiences

### Empowering our Community

As part of the community in which we live, we will play a role in raising awareness and empowering the community to support itself. This will be achieved in a number of ways such as raising public awareness, and working with community groups to enable them to better support people at the end of life in their communities.

In the ongoing development of this approach, the following will be critical:

- Pump priming of initiatives
- Wider public engagement
- Clear understanding of community development principles
- Partnership working

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### St Luke's Guiding Principles

We aim for excellence and have agreed a number of principles which guide our strategy and our Action plans.

We will be:

1. Innovative
2. Efficient
3. Evidence based

We will ensure that our services are:

4. Those needed by the individual and their loved ones
5. Delivered where they need them
6. Based on need not diagnosis

We will ensure that our staff will have:

7. The skills and knowledge to deliver excellent services
8. The motivation and passion to make a difference
9. The processes and structures that allow them to work in an integrated way

We will:

10. Ensure public and user involvement and consultation
11. Work in partnership with the NHS, Social Services and other stakeholders
12. Avoid duplicating services available elsewhere
13. Provide education and support to those caring for patients at the End of Life
14. Develop new sources of income to support new initiatives
15. Build our reserves to 6 months expenditure to safeguard our services

We aim to continually review our services to ensure that they are delivering what the patients, their loved ones and the other stakeholders need and want. We therefore aim to keep abreast of developments in palliative and end of life care and the research behind those developments. We have limited resources and we want to use them as effectively as possible. We therefore need to ensure that we have a culture which embraces change and which values innovation and lateral thinking.

We recognise that services around us are constantly changing. Palliative care is now recognised as the right of the patient and government policy stresses the values we have always espoused: The importance of the End of Life care and the patient's right to privacy, comfort and dignity are now priorities. The education we have been delivering has improved care of the dying in all settings. It is vital therefore, that we constantly reassess what we need to deliver and do not duplicate what can now be delivered by the statutory services. Working in partnership with the NHS, Social Services and other care providers we can ensure that patients receive excellent care and that we only provide that which is not available elsewhere. By consulting with patients and carers directly and through review of research into patients' experiences, we can aspire to remain in the vanguard, innovating, as a charity should.

The strength of St Luke's is its staff – both paid and unpaid. It is they who deliver the care and the support services that facilitate and fund that care. We therefore ensure that our recruitment processes are designed to attract high quality applicants and that all staff have the best and most appropriate induction, training, development, support, communication and encouragement possible, and that they are motivated to constantly achieve a quality service.

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

St Luke's was one of the first specialist palliative care services to achieve a fully integrated service and is committed to ensuring that a patient is supported by the whole service in the most appropriate way for them. We believe that staff should be able to work across all locations so that the focus is the patient not the place. We recognise that the person with advanced incurable illness spends most of their time at home and therefore key relationships are with the community services. We also recognise that there are key relationships with hospital specialists and ward staff. Our aim is to ensure continuity of care so that the patient is equally supported when at home, in hospital, in hospice, day hospice or out-patient services. Bereavement, befriending, spiritual, and therapeutic support should be available to all and patient care information needs to be shared amongst the team. We aim to influence the care of all those at the End of Life and therefore we need to share our expertise so that excellent care is available to all and not just those with specialist needs. The establishment of a strong education department and a public awareness strategy means that we can support both health and social care professionals and carers. We can also reach out to the general public increasing their awareness of death and dying, and ensuring that they are more able to cope with their own and their loved ones diagnosis, disease progression and death.

We can only continue to deliver the current level of specialist palliative care support if we can develop additional sources of income. The need for specialist palliative care is increasing as the population ages and it is now well recognised that the level of support (although not necessarily the identical services) available to cancer patients, needs to be available to other patients at the end of life. It is therefore important to develop new sources of income and to operate in a commercial manner, utilising effectively all the skills and resources available to the charity.



*“I would like to say a big thank you to all your staff for their help and understanding through the weeks preceding his death. We could not have imagined how considerate, compassionate and caring for my father they all could have been. As his illness progressed regular meetings were held to re-appraise the situation and where needed additional equipment supplied. I would like to thank Sarah who was very pro-active in organising things and Fiona for her caring ways and compassion. Thank you all again from our family and good luck for the future”*

Family of patient in the Community



# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### The Values which are the foundation for our work

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. We give time for quality care.

We achieve this by showing **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

We achieve this by showing **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

We achieve this with **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

We achieve this with **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.
- Building trust with others through our own authenticity, open and direct dialogue

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### 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, St Luke's is supported by a team of over 1,600 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, 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.

#### (a) Inpatient Care

- The in-patient unit is situated in the main hospice building at Turnchapel. It is on one level and comprises both single and four-bedded rooms. Most rooms look out onto Plymouth Sound and all beds have their own television. Phone calls can be taken at the bedside and there is a payphone available. There is free car parking and a hospice coffee shop is available with light snacks for visitors. The hospice has a no-smoking policy for staff and relatives/carers but there is a smoking room available for patients
- The unit can admit up to 20 patients with life-threatening illness (Cancer and non-malignant disease including for example Motor Neurone disease and end stage lung disease). Referrals are taken from health care professionals and prioritised on the basis of patient need for symptom control, psycho-social support or terminal care
- A multi-disciplinary team provides comprehensive care, both to provide terminal care 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. The approach to care is holistic and centred on the needs of the individual patient. Physical, emotional, spiritual and psychosocial needs are considered

	2013	2012
<b>In Patient Care</b>		
Patients	<b>354</b>	368
Admissions	<b>393</b>	434
Deaths	<b>232</b>	227
Discharges	<b>161</b>	207
Occupied bed days	<b>5736</b>	5569
Average length of patient stay (days)	<b>14.5</b>	12.8

Although the number of admissions for the IPU has dropped by 9%, this can in part be explained by the increase in the average length of stay from 12.1 days to 14.5 days. This increase in length of stay can be attributed to difficulties in arranging ongoing care for patients outside the hospice, and increased complex needs of the patients.

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### (b) 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 life threatening illnesses, and their families. The specialist nurses and other specialist team members (including Social Workers and Occupational Therapists) offer support, information and advice on managing pain and other symptoms for patients with life threatening illness in their own homes. The community team are based within our Pearn site. There are regular case conferencing meetings and medical support to the Community Specialist Palliative Care Team and domiciliary visits are carried out on request. Telephone advice out of hours is available from the medical and nursing team at the in-patient unit
- The Day Care Service is situated in the site at Pearn. It provides emotional and social support to patients and respite for carers and comprises a large multi-purpose room, a sitting room and an adjoining rest room. There are accessible toilets, a Jacuzzi bathroom, a hairdressing salon and a number of therapy rooms. Entertainment is often available. There is a charge for this service. Most patients are collected by St Luke's vehicles with a driver and a nurse escort and attend regularly. An assessment of the patient's requirements is carried out before allocating a day and the plan is reviewed thereafter on a 3 monthly basis. Some patients may have stabilised and may no longer need to attend; whereas others may need additional support. The St Luke's Volunteer Befriending Service offers companionship and emotional and practical support to patients and families at home
- The community team works with local health and social care services in order to arrange community and nursing home care; providing advice, information and emotional support. In-patient and outpatient assessment, and home assessment prior to discharge are also available. They also provide information and advice on benefits available
- Complementary therapy outpatient appointments are also available for all patients and some carers
- In addition, St Luke's works closely with the End of Life care co-ordination centre and the central Plymouth District Nurses, who are based at our Pearn site

<b>Community Services</b>	<b>2013</b>	<b>2012</b>
<b>Community SPC</b> Patients	<b>1369</b>	1362
Patient visits	<b>4928</b>	5615
Patient/carer phone calls	<b>15383</b>	17368
Professional liaisons	<b>15501</b>	16702
<b>Day Care Service</b> Patients	<b>100</b>	98
Attendances	<b>1976</b>	1182

Although patient numbers are similar to last year, the number of patient activities for community services is lower. This can be explained in part by the increasing complexity of patients, which means more time needs to be spent on each case, as well as additional pressures on staff time and resources, due to long term illness in the team.

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### (c) Hospital Services and medical outpatients

- St Luke's Hospital Palliative Care Team operates in Derriford Hospital. The specialist nurses and doctors offer support, information and advice on managing pain and other symptoms for patients with life threatening illness in the hospital setting when requested by the patient's consultant. They are based in the oncology department although patients are supported throughout the hospital. The team works 9 to 5 Monday- Friday. Out of hours telephone advice is available from the medical and nursing team at the in-patient unit
- St Luke's Hospital Service is also committed to the education of fellow health professionals in General Palliative Care and related areas, and to active staff support in difficult or distressing clinical situations
- There are regular case conferencing meetings to provide medical support to other Hospital teams
- There are Specialist Palliative Care clinics held at Pearn taking direct referrals and doing follow-up for discharged in-patients. There is a Pain clinic at Turnchapel taking direct referrals and follow-ups
- (\*) 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

		2013	2012
<b>Hospital Services and Medical Outpatients</b>			
<b>Hospital SPC service (*)</b>	Patients	<b>1095</b>	1020*
	Support contacts	<b>4747</b>	4029*
<b>Medical Outpatients</b>	Patients	<b>132</b>	214*
	Attendances	<b>331</b>	310*

Although attendances within medical outpatients have remained the same, the number of new patients has significantly dropped. We feel this is due to having dedicated consultant time within the community team, which means patients who would have been seen by the consultant in outpatients is now being seen by the community based consultant.

### (d) 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 and other professionals and deliver management and leadership training for other charities
- In addition we employ a number of posts to roll out End of Life Care education for professionals supporting patients in the community, care homes and hospitals. The funding for these posts was secured from a variety of sources, both statutory and other grant funders

Education	2013	2012
Total number of internal staff trained	910	N/a
Total number of external people trained	1839	N/a
Total training sessions provided	682	N/a

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### (e) Other Clinical Support

- The Lymphoedema service provides specialist care both for palliative care patients (charity funded) and for other patients (NHS funded). It is accessed by direct referral from a health care professional to the specialist nurse
- A Bereavement Service is offered to the loved ones of all patients cared for by St Luke's. Volunteers provide the majority of the service supported by a bereavement co-ordinator and other team members

Other Clinical support		2013	2012
<b>Bereavement Support</b>	Contacts (including telephone calls)	616	742
<b>Lymphoedema</b>	Patients	674	508
	Palliative care appointments	258	222
	NHS contracted appointments	1471	1322

The reduction in contact numbers under bereavement support is due to our ongoing practice of sign posting patients and families to other dedicated services in the area around bereavement support.

### ***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 1,600 volunteers over the year was the equivalent of 120 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 £1,400,000.

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.



*“I just wanted to say that I would be delighted if all our patients spoke as highly of the care, compassion, clinical communication, cleanliness and standard of food in all our venues as Joyce has of her stay here. You have done wonders for her - well done!”*

Family of patient



# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### Review of 2012/13 – Key Aims

<b><i>Strategic principle</i></b>	<b><i>Aim</i></b>	<b><i>Progress</i></b>
<b><i>To be innovative and efficient within current resources and the relevant evidence base</i></b>	Undertake an evidence based review of current working practices within all clinical settings to ensure that we are working efficiently	The productive series has started, and a number of study days have been delivered and work has commenced in all areas on the first two modules of the productive series, which focus on maximising on the organisation of the work environment and knowing how we are doing at a glance. This project will continue into 2013/2014.
<b><i>To ensure employees have the skills, knowledge and motivation in relation to their roles in order to deliver excellent service</i></b>	Enhance the volunteering experience and to ensure volunteers have the skills to carry out their role effectively and are recognised appropriately	Induction processes are in place for departments to ensure volunteers are adequately introduced into St Luke's. Checklists are now being used in appropriate departments. Workshop has been developed and run three times. Successfully engaged with corporate organisations in providing volunteer opportunities. Volunteer event arranged but cancelled due to poor take up. Amended event planned.
<b><i>To establish processes that allow clinical staff to work in an integrated way across the service</i></b>	Develop IT initiatives to meet the organisations mobility needs in the future	Survey of sites now complete. In process of installing wireless systems. Devices tested during April 2013. Video conferencing implemented. New telephone system installed linking all sites. Remote home working extended.
<b><i>To deliver appropriate care, where it is needed, to a wider group and to stop delivering services which others can, and do, provide and to ensure public involvement and consultation working in partnership with the NHS, Social Services and other stakeholders</i></b>	Influence the local and national agenda on end of life care and to safeguard/improve statutory funding	Good relationships developed by SMT with W Devon CCG and Devon H&WBB. More work now planned with Cornwall and Plymouth  Company in place and potential directors identified. No opportunities yet for joint working following consideration of education provision.  CEO chairs HTH national grant committee and Clinical Director is regional representative for National Council.
<b><i>To develop the provision of Education and Support to those caring for patients at the End of Life</i></b>	<i>Deliver a robust education programme which reflects what is current in National and Regional Hospice, Palliative and End of Life Care</i>	Programmes have been developed and run across different settings and organisations. Education strategy still to be reviewed in line with business strategy. Further funding and grants have been obtained to run certain programmes. Relationships developed with commissioners and also educational providers. E learning plus other blended approaches have been introduced.

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

<b><i>To develop additional sources of income and hence achieve sufficient surplus to build reserves to 6 months expenditure and develop new initiatives</i></b>	<i>Increase income through social enterprise</i>	Due to challenges in recruiting and retaining our Domiciliary Care Manager, this delayed its public launch. However the internal bank staffing is working exceptionally well and has proven the robust systems and policies that have been put in place. Some private patients now supported, and the service is growing.
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### Financial review

The budget for 12-13 was set very tightly and aimed to achieve a small surplus of £10,000, in an effort to bring our reserve levels back up. The organisation made an overall surplus of **£192,017**, which is after crediting gains on investments of £124,300 as the market value of the portfolio increased. This surplus was achieved after charging depreciation of £252,000 on buildings, which are funded by designated reserves.

The surplus for the year, before adjusting for investment gains, for management reporting purposes, was **£67,717**, which was remarkably better than budget.

Despite the economic downturn, fundraising and donation income has seen an excellent rise, with our overall income levels from these activities up by 20%. Legacies has seen a slight fall of 4% but still delivered over £800,000 in the year.

Investment income has increased well in the year, with income from our investment portfolio growing by 20%, and our bank interest has more than doubled, after new cash management procedures were installed late last year.

Our Education department has grown its services remarkably well in the year, and income from this has increased nearly four-fold, from £80,000 in 2012 to over £290,000 in 2013. The team has been really successful in implementing End of Life care education across the community, care homes and hospitals, and gaining further funding and grants to deliver additional projects involving volunteers.

After investing heavily into the retail group over the last two years, there has been a 6% increase in income, and the profitability of the retail group continues to rise steadily this year. Increased efforts over the year to rationalise spending have also been successful, and we hope to see this trend continue over the coming years.

Lottery sales continue to go from strength to strength, and this year saw another increase of 8% in lottery sales.

The newly formed Domiciliary Care Agency last year, has developed in the year, and produced a small surplus in the year, mainly through the provision of bank staff to the St Luke's community and in patient services. A new manager was appointed in January this year, and she has made a great start to increasing our client base.

Expenditure this year has been managed really well, after an organisational drive last year to devolve departmental budgets down to all heads of department. A 2% efficiency drive was trialled in the year, and for most parts of the organisations, this was achieved with resounding success. Next year's budgets have been set by the heads of departments, and further efficiency savings will be sought wherever possible.

This year, after the last two years of drops in reserves, has seen an increase in free reserves, from £2,216,000 last year to £2,685,873. This represents 5.3 months of expenditure based on budgeted running costs (from 4.6 months in the previous year). Whilst this is still slightly below the target set by the trustees of holding 6 months of expenditure in free reserves, this is a very encouraging step in the right direction.

Overall, considering the current economic climate, the financial performance of the organisation for the year has been very positive.

# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### Plans for future periods

St Luke's has developed a clear vision and the plans for 2013/14 take this long-term strategy into account. Our priority is to provide specialist care in the last days of life for those who have the greatest need but we also aspire to ensure that everyone has access to appropriate care and support at the end of life, and we therefore provide education, general support services, advice support and care to patients, professionals and carers. 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. We recognise that we cannot deliver intensive end of life care to everyone and we therefore intend to allocate resources to ensure that we can empower others to support local people at the end of life.

With the Coalition Government's clear steer on care close to home, work currently being undertaken on palliative care funding, and the Demos report - all building on the priorities established on 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 even greater emphasis on delivering services for the patient in the last year of life in their preferred location. This will continue to bring strategic opportunities and threats as local strategies are implemented, based on the national work and the local health communities' priorities. St Luke's has been closely involved in the development of the local and national End of Life care strategies.

Free reserves in 2012/13 continue to be less than the target level of 6 months budgeted running costs. This is disappointing but not surprising in the current financial climate. Retail income, despite being higher than last year, has been slightly below budget, as costs of maintaining the retail premises are higher than budgeted. However, following a major programme of shop review, income is now picking up and is budgeted to grow as the business continues its expansion, taking advantage of new sites and opportunities that present. Despite delays in implementation, retail gift aid is now contributing to income following the successful implementation of an EPOS system during 2010/11.

A major task for the coming years is continuing to develop relationships with the commissioning groups and developing partnership working with other hospices, to protect the current NHS contribution to the specialist service. It is also important to continue involvement in the national funding review and the policy work of Help the Hospices, National Council for Palliative Care and the Association for Palliative Medicine to ensure favourable treatment. It seems likely that there may be some realignment of NHS funding to support patients at the end of life, and this may be both an opportunity and a threat.

To achieve the Strategic plan there has been some investment in developing Social Enterprise businesses, and more is planned for future years. The aim is to continue to develop complementary services managed by SLH Ventures Ltd, a wholly owned subsidiary of St Luke's Hospice Plymouth. As well as contributing to profits, we hope that these services will provide effective support to people at an earlier stage of their disease and enable anticipation of their needs so that later crises can be averted. The subsidiary passes all profits to the charity and enables the charity to spread its overheads (HR, Finance, PR etc) over a larger service base. Some opportunities for developing further fully funded or revenue-generating services (both statutory and non-statutory) have been investigated. Major areas of current interest are the provision of practical support services for older people, domiciliary care, respite care, funeral advice services and back office service provision for other charities and service providers.

Looking ahead, the business plan is assuming steady growth in Fundraising income and donations. The recent expansion in the Retail group, and subsequent investment in a new warehouse distribution centre, has now begun to reap its benefits, and the Plan assumes that by 2014/2015, the retail group will be contributing just over £1 million in profit to the Charity, with steady but challenging growth targets thereafter.

The Hospice has long relied on generous bequests to help run the service, and over the last five years, annual legacies have averaged £800,000 to £900,000. However, this is a very unpredictable source of income and there is some evidence that legacy income could fall with the demographic changes ahead. The financial plans going forward have assumed a baseline target figure, with one-off larger bequests



# St Luke's Hospice Plymouth

## Board of Trustees' Report

Year Ended 31 March 2013

### Key Strategic Aims for the 2013/14 financial year

*The key aims for 2013/14 have been extracted from the detailed action plan included in the business plan for the year and relate to the 5 pillars and 15 principles of St Luke's.*

Aim 1: Develop a service specification for a hospice at home scheme	Actions: Set up a working group to develop a service model for hospice at home. Model to be presented to SMT/BOT for approval by December 2013  Develop a full costing model so that a financial feasibility study can be investigated
Aim 2: Embed the principles of the productive series within Community and IPU services	Action: Following training in Feb/March/April 2013 complete 2 modules of the productive series by March 2014
Aim 3: Increase efficiency and capacity of our recycling and distribution centre to enable the business to grow over the next 3 years	Actions: Redesign and relay the workflow process of our recycling distribution and warehousing function utilising lean methodology  Further develop links between our picking and processing segment of our warehouse function to ensure greater appropriate stock allocation and rotation to our retail units
Aim 4: Enhance the volunteering experience and ensure volunteers have the skills to carry out their role effectively and are recognised	Action: Arrange an event to recognise Volunteer contribution by August 2013.

### 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.

### 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.



# St Luke’s Hospice Plymouth

## Statement of Trustees’ Responsibilities

Year ended 31 March 2013

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.



*“I am writing to thank you for helping my dad with his symptoms earlier this year. As you may recall, my wife contacted you to ask if you would kindly consider seeing dad with his post radiotherapy symptoms. After a number of years with increasing swallowing problems, recurrent aspiration, chest infections, decreasing weight, intractable fatigue and low mood my dad felt “listened to”. Since his consultations with you he has improved in mood and has begun playing golf again. This represents some QoL where before he felt he had none. Your holistic approach to Dad’s problems has almost certainly allowed him to move forward. He is aware that he will not recover his previous life and interests but you have provided some light where previously he saw none. Thank you for your kind and considerate approach. My dad has nothing but praise for your help”.*

Family of patient – in hospital



# **St Luke's Hospice Plymouth**

## **Independent Auditors' Report**

**Year ended 31 March 2013**

We have audited the group and parent financial statements of St Luke's Hospice Plymouth for the year ended 31 March 2013, which comprise the group Statement of Financial Activities, the group and parent Balance Sheet, the group and parent Cash Flow Statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practices).

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement, the trustees (who are also directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

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

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

### **Opinion**

In our opinion the financial statements:

- give a true and fair view, of the state of the group's and of the parent company's affairs as at 31 March 2013 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the Companies Act 2006.

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

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

# **St Luke's Hospice Plymouth**

## **Independent Auditors' Report**

**Year ended 31 March 2013**

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the group's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Charles Evans**

**Senior Statutory Auditor**

For and on behalf of Francis Clark LLP

Statutory Auditors

North Quay House

Sutton Harbour

PLYMOUTH

PL4 0RA

Date:

# St Luke's Hospice Plymouth

## Consolidated Statement of Financial Activities

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

Year Ended 31 March 2013

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	As Restated Total Funds 2013 £	Total Funds 2012 £
<b>Incoming resources from generated funds:</b>						
<b>Voluntary income:</b>						
Donations and gifts		1,662,789	-	159,370	<b>1,822,159</b>	1,527,186
Bequests		867,695	-	-	<b>867,695</b>	908,088
<b>Activities for generating funds:</b>						
Shops		2,532,431	-	-	<b>2,532,431</b>	2,379,294
Lottery		689,384	-	-	<b>689,384</b>	638,448
Domiciliary care		115,020	-	-	<b>115,020</b>	21,218
Investment income	3	109,652	-	-	<b>109,652</b>	72,296
<b>Incoming resources from charitable activities:</b>						
Public sector funding	4	1,577,003	-	281,330	<b>1,858,333</b>	1,862,433
Other income		432,501	-	302,211	<b>734,712</b>	428,122
<b>Total incoming resources</b>		<b>7,986,475</b>	<b>-</b>	<b>742,911</b>	<b>8,729,386</b>	<b>7,837,085</b>
<b>Resources expended</b>						
Shops		2,095,129	37,442	-	<b>2,132,571</b>	2,160,508
Lottery		296,738	-	-	<b>296,738</b>	339,213
Domiciliary care		116,379	-	-	<b>116,379</b>	43,636
Fundraising & publicity		855,498	26,369	-	<b>881,867</b>	850,027
Investment & other		16,460	6,000	7,125	<b>29,585</b>	37,824
<b>Charitable activities:</b>						
In patient care		2,262,650	154,975	234,600	<b>2,652,225</b>	2,596,969
Community Services and other clinical support		1,544,042	27,276	213,933	<b>1,785,251</b>	1,642,135
Hospital Services & Medical Outpatients		226,015	-	-	<b>226,015</b>	215,749
Education		114,374	-	350,486	<b>464,860</b>	395,729
<b>Governance costs</b>		<b>76,178</b>	<b>-</b>	<b>-</b>	<b>76,178</b>	<b>69,335</b>
<b>Total resources expended</b>	6	<b>7,603,463</b>	<b>252,062</b>	<b>806,144</b>	<b>8,661,669</b>	<b>8,351,125</b>
Net incoming / (outgoing) resources for the year before transfers		383,012	(252,062)	(63,233)	<b>67,717</b>	(514,040)
Transfer between funds		(514,628)	514,628	-	-	-
<b>Net incoming / (outgoing) resources</b>		<b>(131,616)</b>	<b>262,566</b>	<b>(63,233)</b>	<b>67,717</b>	<b>(514,040)</b>
Gains on investment assets		124,300	-	-	<b>124,300</b>	16,495
<b>Net movement in funds</b>		<b>(7,316)</b>	<b>262,566</b>	<b>(63,233)</b>	<b>192,017</b>	<b>(497,545)</b>
Funds at 1/4/2012		189,191	5,123,922	265,047	<b>5,578,160</b>	6,075,705
<b>Funds at 31/03/2013</b>		<b>181,875</b>	<b>5,386,488</b>	<b>201,814</b>	<b>5,770,177</b>	<b>5,578,160</b>

# St Luke's Hospice Plymouth

## Balance Sheet – Company number 01505753

31 March 2013

		As Restated		As Restated	
	Notes	Group 2013	2012	Charity 2013	2012
		£	£	£	£
<b>Fixed assets</b>					
Tangible	11	<b>3,692,169</b>	4,007,183	<b>3,691,293</b>	4,005,807
Investments	12	<b>1,233,834</b>	1,108,685	<b>1,233,836</b>	1,108,687
		<b>4,926,003</b>	5,115,868	<b>4,925,129</b>	5,114,494
<b>Current assets</b>					
Stocks	13	<b>4,895</b>	7,874	<b>775</b>	3,319
Debtors	14	<b>861,965</b>	551,503	<b>884,022</b>	740,829
Cash at bank and in hand		<b>1,113,276</b>	949,356	<b>1,037,799</b>	684,169
		<b>1,980,136</b>	1,508,733	<b>1,922,596</b>	1,428,317
Creditors: amounts falling due within one year	15	<b>667,126</b>	546,141	<b>578,876</b>	433,368
<b>Net current assets</b>		<b>1,313,010</b>	962,592	<b>1,343,720</b>	994,949
<b>Total assets less current liabilities</b>		<b>6,239,013</b>	6,078,460	<b>6,268,849</b>	6,109,443
Creditors: amounts falling due after more than one year	16	<b>468,836</b>	500,300	<b>468,836</b>	500,300
<b>Net Assets</b>		<b>5,770,177</b>	5,578,160	<b>5,800,013</b>	5,609,143
<b>Funds</b>					
<b>Unrestricted funds:</b>					
Revaluation reserve	17	<b>178,987</b>	188,812	<b>178,987</b>	188,812
General funds	18	<b>32,724</b>	31,362	<b>32,724</b>	31,362
Non-charitable trading funds	18	<b>(29,836)</b>	(30,983)	-	-
<b>Designated funds</b>	18	<b>5,386,488</b>	5,123,922	<b>5,386,488</b>	5,123,922
<b>Restricted funds</b>	18	<b>201,814</b>	265,047	<b>201,814</b>	265,047
		<b>5,770,177</b>	5,578,160	<b>5,800,013</b>	5,609,143

The consolidated financial statements on pages 22 to 37 were approved by the Trustees on \_\_\_\_\_ 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 2013

		2013	2012
	Notes	£	£
<b>Net cash inflow / (outflow) from operating activities</b>	24	<b>268,430</b>	<b>(221,347)</b>
<b>Returns on investments and servicing of finance</b>			
Interest received		17,344	7,491
Investment income received		92,308	64,805
<b>Net cash inflow from returns on investments and servicing of finance</b>		<b>109,652</b>	<b>72,296</b>
<b>Capital expenditure and financial investment</b>			
Purchase of tangible fixed assets		(185,889)	(479,549)
Purchase of investments		(135,830)	(361,817)
Sale of investments		134,981	332,207
<b>Net cash (outflow) from capital expenditure and financial investment</b>		<b>(186,738)</b>	<b>(509,159)</b>
<b>Financing</b>	25	<b>(27,424)</b>	<b>(25,638)</b>
<b>Increase / (decrease) in cash</b>	26	<b>163,920</b>	<b>(683,848)</b>

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 1. Accounting policies

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" published in 2005, the Charities Act 2011 and applicable accounting standards.

The Statement of Financial Activities (SOFA) and Balance Sheet consolidate the financial statements of the charity and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The charity has availed itself of Paragraph 4(1) of Schedule 1 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

### 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%
- 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.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

- 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, less the amount outstanding on mortgage. This represents a change in accounting policy, which has resulted in a prior year adjustment (see note 18). St Luke's has also set aside a Revenue Reserve to protect against sudden dips in income. As such these funds 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.

## 2. Net incoming resources

Net incoming resources for the year are after charging:

	2013	2012
	£	£
Amortisation of leasehold property improvements	27,276	27,276
Depreciation of owned assets	500,903	470,645
Auditors' remuneration for audit services		
Charity	6,500	5,250
Subsidiary	3,500	2,750
Loss on disposal of assets	-	25,222
Rental of shop premises - operating leases	468,665	459,228

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 3. Investment income

	2013	2012
	£	£
Income from property	<b>57,050</b>	35,146
Dividends from other investments	<b>35,258</b>	29,659
Interest receivable and similar income	<b>17,344</b>	7,491
	<b>109,652</b>	72,296

### 4. Public sector funding

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

	2013	2012
	£	£
<b>NHS Trusts:</b>		
Basic funding	<b>793,047</b>	793,047
For purchase of drugs	<b>115,292</b>	115,292
Lymphoedema Services	<b>103,832</b>	103,832
Share of Network Monies	<b>408,875</b>	408,875
Community Specialist Palliative Care team	<b>361,696</b>	361,696
End of Life Care Education Projects	<b>40,880</b>	44,980
Social service funding	<b>34,711</b>	34,711
	<b>1,858,333</b>	1,862,433

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

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

The taxable profits of SLH Ventures Limited arise from the operation of a lottery and general trading and are paid by Gift Aid to St Luke's Hospice Plymouth. 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>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>877,376</b>	779,744
Cost of sales	<b>(142,987)</b>	(165,978)
<b>Gross profit</b>	<b>734,389</b>	613,766
Operating expenses	<b>(273,243)</b>	(256,070)
<b>Operating profit</b>	<b>461,146</b>	357,696
Interest payable	<b>(5,000)</b>	(5,000)
Interest receivable	<b>2</b>	35
<b>Net trading profit</b>	<b>456,148</b>	352,731
Gift Aid donation to St Luke's Hospice Plymouth	<b>(455,000)</b>	(352,000)
<b>Profit on ordinary activities before taxation</b>	<b>1,148</b>	731
<b>Tax on profit on ordinary activities</b>	<b>-</b>	-
	<b>1,148</b>	731
<b>Balance sheet</b>	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Assets	<b>130,141</b>	285,936
Liabilities	<b>(159,975)</b>	(316,918)
Capital	<b>2</b>	2
Reserves	<b>(29,836)</b>	(30,984)

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 6. Analysis of total resources expended

	Employment Costs	Other	Depreciation	Total Funds 2013	Total Funds 2012
	£	£	£	£	£
Patient care	2,887,882	776,978	56,462	<b>3,721,322</b>	3,568,150
Costs of generating funds	1,475,961	1,278,905	159,084	<b>2,913,950</b>	2,861,636
Housekeeping, maintenance, administration and finance	1,202,269	538,771	285,357	<b>2,026,397</b>	1,921,339
	<b>5,566,112</b>	<b>2,594,654</b>	<b>500,903</b>	<b>8,661,669</b>	8,351,125

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

The aggregate payroll costs were as follows:

	2013 £	2012 £
Wages and salaries	<b>4,757,430</b>	4,681,521
Social Security	<b>339,183</b>	347,754
Pension costs	<b>469,499</b>	454,913
	<b>5,566,112</b>	5,484,188

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 250 (2012: 253).

The full time equivalent staff numbers were as follows:

	2013 f.t.e	2012 f.t.e
Clinical and direct care	<b>80</b>	80
Direct Support (hotel services)	<b>22</b>	22
Office and Administration	<b>25</b>	24
Fund generating teams	<b>76</b>	77
<b>Total staff</b>	<b>203</b>	203

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 – (2012:2) and within the £70,000 to £80,000 band: 1 – (2012:0). Of these staff one was in the Hospice Group Personal Pension scheme, Hospice contributions were 7%, and the other one was in the NHS Pension Scheme, a defined benefit scheme.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 8. Support costs allocation

	Management	Finance	IT	HR	Total 2013	Total 2012
	£	£	£	£	£	£
<b>Cost of generating funds</b>						
Shops	20,020	60,503	25,030	98,630	<b>204,183</b>	235,695
Lottery	-	-	247	11,457	<b>11,704</b>	16,778
Domiciliary care	-	-	3,121	3,273	<b>6,394</b>	2,138
Fundraising and Publicity	20,020	40,335	37,704	37,706	<b>135,765</b>	137,892
Investment and other	-	10,084	-	410	<b>10,494</b>	13,085
<b>Charitable activities</b>						
In Patient Care	26,694	40,335	38,634	72,403	<b>178,066</b>	194,185
Community Services	13,347	20,168	17,244	78,705	<b>129,464</b>	132,741
Hospital services and medical opts	6,673	-	4,111	9,208	<b>19,992</b>	20,905
Education	6,673	20,168	15,348	15,406	<b>57,595</b>	55,292
<b>Governance costs</b>	40,040	10,084	7,621	820	<b>58,565</b>	51,317
<b>Total</b>	<b>133,467</b>	<b>201,677</b>	<b>149,060</b>	<b>328,018</b>	<b>812,222</b>	<b>860,028</b>

Support costs are allocated on the following basis: costs are allocated directly where possible for all management, finance, IT and HR spend, and the remaining costs are apportioned on the most appropriate basis such as time spent, or 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 £272,536 (2012: £270,542). Some employees have continued membership of the NHS Pension Scheme. The cost of the group contribution to this scheme for the year was £196,963 (2012: £184,371).

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 11. Tangible fixed assets

#### Group

	Freehold land and buildings £	Leasehold Improvements £	Equipment and furniture £	Motor vehicles £	Assets under construction £	Total £
<b>Cost or valuation</b>						
At 1 April 2012	5,895,542	360,443	1,032,936	135,294	-	7,424,215
Additions	10,206	-	166,105	7,312	2,266	185,889
<b>At 31 March 2013</b>	<b>5,905,748</b>	<b>360,443</b>	<b>1,199,041</b>	<b>142,606</b>	<b>2,266</b>	<b>7,610,104</b>
<b>Depreciation</b>						
At 1 April 2012	2,512,971	121,095	674,199	108,767	-	3,417,032
Charge for year	224,786	27,276	231,339	17,502	-	500,903
<b>At 31 March 2013</b>	<b>2,737,757</b>	<b>148,371</b>	<b>905,538</b>	<b>126,269</b>	<b>-</b>	<b>3,917,935</b>
<b>Net book value</b>						
<b>At 31 March 2013</b>	<b>3,167,991</b>	<b>212,072</b>	<b>293,503</b>	<b>16,337</b>	<b>2,266</b>	<b>3,692,169</b>
At 31 March 2012	3,382,572	239,348	358,737	26,526	-	4,007,183

#### Charity

	Freehold land and buildings £	Leasehold Improvements £	Equipment and furniture £	Motor vehicles £	Assets under construction £	Total £
<b>Cost or valuation</b>						
At 1 April 2012	5,895,542	360,443	1,025,136	135,294	-	7,416,415
Additions	10,206	-	166,105	7,312	2,266	185,889
<b>At 31 March 2013</b>	<b>5,905,748</b>	<b>360,443</b>	<b>1,191,241</b>	<b>142,606</b>	<b>2,266</b>	<b>7,602,304</b>
<b>Depreciation</b>						
At 1 April 2012	2,512,971	121,095	667,775	108,768	-	3,410,608
Charge for the year	224,786	27,276	230,839	17,501	-	500,403
<b>At 31 March 2013</b>	<b>2,737,757</b>	<b>148,371</b>	<b>898,614</b>	<b>126,269</b>	<b>-</b>	<b>3,911,011</b>
<b>Net book value</b>						
<b>At 31 March 2013</b>	<b>3,167,991</b>	<b>212,072</b>	<b>292,627</b>	<b>16,337</b>	<b>2,266</b>	<b>3,691,293</b>
At 31 March 2012	3,382,572	239,348	357,361	26,526	-	4,005,807

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 12. Investments

#### Group

	<b>Listed</b>
<b>Valuation</b>	<b>£</b>
At 1 April 2012	1,108,685
Additions	135,830
Disposals	(130,202)
Revaluation	119,521
<b>At 31 March 2013</b>	<b>1,233,834</b>

Under historical cost principles, the historical cost of investments at 31 March 2013 was £933,870 (2012: £925,159). The investments of the Charity include the 2 £1 shares in SLH Ventures Limited, a company incorporated in England and Wales, which represents the whole of the share capital.

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

	<b>Government stock</b>	<b>Direct investments</b>	<b>Unit trusts &amp; investment companies</b>	<b>Total</b>
	£	£	£	£
UK investments	58,857	710,454	199,808	969,119
Overseas investments	-	-	264,715	264,715
<b>At 31 March 2013</b>	<b>58,857</b>	<b>710,454</b>	<b>464,523</b>	<b>1,233,834</b>

No restrictions exist on the realisation of these assets. The following material investments were held at the 31 March 2013:

<b>Holding</b>	<b>Investment</b>	<b>Market Value £</b>
Blackrock AM UK CharishareAcc	7,146	88,432

### 13. Stock

	<b>Group</b>		<b>Charity</b>	
	<b>2013</b>	<b>2012</b>	<b>2013</b>	<b>2012</b>
	£	£	£	£
Goods for resale	4,120	4,555	-	-
Stationery stock	775	3,319	775	3,319
	<b>4,895</b>	<b>7,874</b>	<b>775</b>	<b>3,319</b>

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 14. Debtors

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Trade debtors	116,861	44,963	91,636	32,351
Amounts owed by group company	-	-	50,000	204,145
Taxation recoverable	39,886	52,804	39,886	52,804
VAT recoverable	39,721	18,004	39,721	18,004
Other debtors	429,370	321,069	429,280	321,069
Prepayments and accrued income	236,127	114,663	233,499	112,456
	<b>861,965</b>	<b>551,503</b>	<b>884,022</b>	<b>740,829</b>

Of the above amounts, £50,000 (2012: £50,000) owed from the company's subsidiary is due after more than one year. The loan is secured by a debenture with a fixed and floating charge.

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

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	28,738	24,698	28,738	24,698
Trade creditors	304,927	245,549	186,474	139,639
Amounts owed by group company	-	-	45,730	-
Other creditors	92,147	149,196	92,147	149,196
VAT due	2,527	2,446	-	-
Other taxation and social security	97,890	95,875	97,890	95,875
Accruals and deferred income	140,897	28,377	127,897	23,960
	<b>667,126</b>	<b>546,141</b>	<b>578,876</b>	<b>433,368</b>

The following liabilities disclosed under creditors falling due within one year are secured by the company:

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Bank loans	28,738	24,698	28,738	24,698

### 16. Creditors – Amounts falling due after more than one year

The following liabilities disclosed under creditors falling due after more than one year are secured by the company:

	Group		Charity	
	2013	2012	2013	2012
	£	£	£	£
Bank loans and overdrafts	468,836	500,300	468,836	500,300

The bank loan, totalling £497,574, is secured by a legal charge on two of the properties included in freehold land and buildings (with NBV of £505,000 & £165,000 respectively). Therefore the proportion of the loan to the assets charged is **74%**.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 17. Revaluation reserve

Group and Charity	£
Balance at 1 April 2012	188,812
Unrealised gain on revaluation of investment portfolio	119,521
Realised gain on disposal of investments, transferred to general fund	(129,346)
<b>Balance at 31 March 2013</b>	<b><u>178,987</u></b>

### 18. Fund balances

Group	As Restated Balance Brought Forward £	Transfers £	Incoming Resources £	Resources Expended £	Balance 31 March 2013 £
<b>Restricted Funds</b>					
Other Funds	188,394	-	120,870	(160,209)	<b>149,055</b>
End of Life/Project Funds	76,653	-	622,041	(645,935)	<b>52,759</b>
	<u>265,047</u>	<u>-</u>	<u>742,911</u>	<u>(806,144)</u>	<u><b>201,814</b></u>
<b>Designated Funds</b>					
Building Funds	3,096,922	37,628	-	(252,062)	<b>2,882,488</b>
Revenue Reserve	2,027,000	477,000	-	-	<b>2,504,000</b>
	<u>5,123,922</u>	<u>514,628</u>	<u>-</u>	<u>(252,062)</u>	<u><b>5,386,488</b></u>
<b>Revaluation Reserve</b>	188,812	(129,346)	119,521	-	<b>178,987</b>
<b>General Funds</b>	31,363	(385,282)	7,990,106	(7,603,463)	<b>32,724</b>
<b>Non-charitable trading</b>	(30,984)	-	1,148	-	<b>(29,836)</b>
<b>At 31 March 2013</b>	<b><u>5,578,160</u></b>	<b><u>-</u></b>	<b><u>8,853,686</u></b>	<b><u>(8,661,669)</u></b>	<b><u>5,770,177</u></b>

The Hospice Building Fund is held at a level equivalent to the net book value of freehold land and buildings and leasehold improvements less the value of any outstanding mortgage. A decision was made by the trustees to reclassify this fund from a restricted fund to a designated fund on the assumption that once the restricted income has been expended the restriction ceases to exist. A prior year adjustment has been processed to reflect this change in policy by transferring £1,504,490 from the opening restricted Building Fund into the opening designated Building Fund. An amount equivalent to the depreciation on the buildings, £252,062 was expended out of this fund in the year.

There was a net transfer into the Revenue Reserve of £477,000 giving a balance of £2,504,000. 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 risen to 4.9 months from 4.2 months since last year, with total freely available reserves (including the Revaluation reserve) rising to 5.3 months (from 4.6 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 £52,759, with the balance to fund End of Life Education projects.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

### Year Ended 31 March 2013

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.

### 19. Analysis of net assets between funds

Group	Tangible fixed assets £	Investments £	Other net assets £	Total £
<b>Restricted funds</b>				
End of Life/Project funds	-	-	52,759	<b>52,759</b>
Other Funds	124,503	-	24,553	<b>149,056</b>
	<u>124,503</u>	<u>-</u>	<u>77,312</u>	<u><b>201,815</b></u>
<b>Other funds/reserves</b>				
Designated Funds	3,380,062	1,054,847	951,579	<b>5,386,488</b>
Revaluation Reserve	-	178,987	-	<b>178,987</b>
Unrestricted Funds	186,728	-	(154,005)	<b>32,723</b>
Non-charitable trading Funds	876	-	(30,712)	<b>(29,836)</b>
	<u>3,567,666</u>	<u>1,233,834</u>	<u>766,862</u>	<u><b>5,568,362</b></u>
<b>Total</b>	<u><b>3,692,169</b></u>	<u><b>1,233,834</b></u>	<u><b>844,174</b></u>	<u><b>5,770,177</b></u>

### 20. Financial commitments

At 31 March 2013 annual commitments under non-cancellable operating leases (including shop premises) were as follows:

	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
Expiring within one year	<b>145,542</b>	67,916	<b>145,542</b>	67,916
Expiring between two and five years	<b>295,189</b>	318,613	<b>295,189</b>	318,613
Expiring in over five years	<b>81,000</b>	118,840	<b>81,000</b>	118,840
	<u><b>521,731</b></u>	<u>505,369</u>	<u><b>521,731</b></u>	<u>505,369</u>

### 21. Share capital

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

### 22. Related party transactions

There were no related party transactions of any significance that required disclosure during the year. All trustees and senior management team have declared an interest when appropriate.

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 23. Income and expenditure account

	Continuing operations	
	2013	2012
	£	£
<b>Income</b>	<b>8,676,784</b>	7,799,935
Operating expenses	<b>(8,661,669)</b>	(8,351,125)
<b>Operating Surplus / (Deficit)</b>	<b>15,115</b>	(551,190)
Investment Income	<b>35,258</b>	29,659
Realised investment gains in the year	<b>4,778</b>	15,392
Interest receivable and similar income	<b>17,344</b>	7,491
<b>Excess of income over expenditure for the Year</b>	<b>72,495</b>	(498,648)

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 £71,347 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:

	2013	2012
	£	£
Total Incoming Resources (per SOFA)	<b>8,729,386</b>	7,837,085
Realised investment gains in the year	<b>4,778</b>	15,392
Income for Companies Act purposes	<b>8,734,164</b>	7,852,477

### 24. Reconciliation of net incoming resources to net cash inflow from operating activities

	Continuing operations	
	2013	2012
	£	£
<b>Continuing activities</b>		
Net incoming / (outgoing) resources for the year	<b>67,717</b>	(514,040)
Depreciation on tangible fixed assets	<b>500,903</b>	470,645
Donated investments	-	(10,222)
Decrease in stock	<b>2,979</b>	5,102
Investment income	<b>(109,652)</b>	(72,296)
(Increase) in debtors	<b>(310,462)</b>	(15,556)
Loss on disposal of fixed assets	-	25,225
Increase / (decrease) in creditors	<b>116,945</b>	(110,205)
<b>Net cash inflow from operating activities</b>	<b>268,430</b>	(221,347)

# St Luke's Hospice Plymouth

## Notes and Accounting policies

Year Ended 31 March 2013

### 25. Financing

	2013 £	2012 £
(Decrease) in bank loans	<b>(27,424)</b>	(25,638)

### Reconciliation of net cash flow to movement in net cash

	2013 £	2012 £
Increase / (decrease) in cash in the year	<b>163,920</b>	(683,848)
Net cash outflow from bank loans	<b>27,424</b>	25,638
	<b>191,344</b>	(658,210)
Change in net cash	<b>191,344</b>	(658,210)
Net cash at 1 April 2012	<b>424,358</b>	1,082,568
<b>Net cash at 31 March 2013</b>	<b>615,702</b>	424,358

### Analysis of changes in net cash

	At 1 April 2012 £	Cash flows	At 31 March 2013 £
<b>Net cash:</b>			
<b>Cash in hand and at bank</b>	949,356	163,920	<b>1,113,276</b>
<b>Debt:</b>			
<b>Debt due within one year</b>	(24,698)	(4,040)	<b>(28,738)</b>
<b>Debt due after one year</b>	(500,300)	31,464	<b>(468,836)</b>
	(524,998)	27,424	<b>(497,574)</b>
<b>Net cash</b>	424,358	191,344	<b>615,702</b>

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

	2013 £	2012 £
Increase / (decrease) in cash in the year	<b>163,920</b>	<b>(683,848)</b>
Change in net funds resulting from cash flows	<b>163,920</b>	(683,848)
Net funds at 1 April 2012	<b>949,356</b>	1,633,204
<b>Net funds at 31 March 2013</b>	<b>1,113,276</b>	949,356

### 27. Analysis of net funds

	2012 £	Cash Flow £	2013 £
Cash at bank and in hand	949,356	163,920	<b>1,113,276</b>