

Annual Report & Accounts

for the year ended 31 March 2013



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FOR THE YEAR ENDED 31 MARCH 2013**

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**CHAIR AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2013**

The trustees present their report with the financial statements of the charity for the year ended 31st March 2013

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Number	1123314
Company number	06525170
Principal address and registered office	6 Manor Farm Barns Burcombe Lane Burcombe Salisbury, SP2 0EJ
Trustees	Dr Shaun McGee (Chair) Ceri Hurford-Jones (Vice-chair) Colette Martindale (Honorary Secretary) Robert Newman (Treasurer) Mr Ian Downie Dr Chris Glaysher Mr Doug McKenna (resigned October 2012) Andrew Mercer Jonathan Simm (joined October 2012) Dr Debbie Vyas (resigned May 2012) Jackie Murray (resigned March 2013)
Chief Executive	Sara Morley
Auditors	Fawcetts, Chartered Accountants and Statutory Auditors, Windover House, St Ann Street Salisbury, SP1 2DR
Bankers	National Westminster Bank plc 48 Blue Boar Row, Salisbury, SP1 2DF
Solicitors	Trethowans London Road Office Park London Road Salisbury, SP1 3HP
Investment Managers	Cazenove Capital Management Limited 12 Moorgate, London, EC2R 6DA

LETTER FROM THE CHAIR

This has been a year of significant challenge for Salisbury Hospice Charity given the increasing financial demands to support the maintenance and development of Salisbury Specialist Palliative Care Services (SSPCS) in our region. The squeeze on public sector finances results in charitable funding being relied upon more and more. This means that the charity in turn must become even more effective in raising the funds required, and this in an ever more competitive sector, locally with the Stars Appeal and Help for Heroes, and nationally against charities such as Marie Curie and Macmillan. This year we have contributed £1,205,833 directly for SSPCS. Given that the charity's own costs were £327,830 this means that the total needing to be raised amounts to £1,533,663. The financial year end was reached with a budgeted deficit of £154,939.

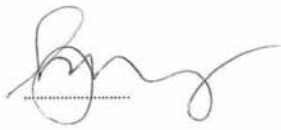
The trustees, in facing up to these challenges, have recognized that in an increasingly crowded and competitive charitable sector our charity needs to change and adapt if it is to continue to be successful in eroding the existing financial deficit and go on to raise the additional funds to support the development of the new palliative care services that will be needed going forward. To this end the board has embarked upon a programme of investment in fundraising and income generation which has seen the charity office relocate to Burcombe, the appointment of John Munro as our fundraising manager and the opening by the Countess of Pembroke of our own exclusive shop in Catherine Street, Salisbury on August 9th.

The most successful charities have never shied away from investing where and when necessary to increase fundraising. We do and will continue to aim to keep the costs of fundraising as low as possible, whilst maximizing the return on every pound spent, ensuring that we receive goods and services pro bono wherever possible, or at the most competitive price with charity discounts whenever negotiable. An example of this is the new charity office accommodation, in which all the furniture apart from one desk, is from recycled materials and given to us free. There is growing evidence that this strategy is paying dividends as earlier in the year we were successful in a bid to the Department of Health for £528K for the refurbishment of palliative care facilities, and we now look forward to the success of a new headline fundraising event this year in the Wessex Country Fair to be held in the grounds of Wilton House on Saturday September 7th, to be opened by Joanna Lumley.

There have been some changes to the composition of the trustees in the past year. Our sincere thanks to our retiring trustees Dr Debbie Vyas and Mr Doug McKenna, and a warm welcome to new trustees Mrs Jackie Murray (who sadly left in March 2013 but still gives on-going support through the shop working party) and Mr Jonathan Simm, who brings his considerable financial expertise to the board, on which we will rely heavily in realizing our business and strategic plans. It is likely that we will consider some further expansion of the board of Trustees in the near future so that our supporters and donors can be confident that we have the number, quality and expertise at board

level to meet the demands of the ever changing landscape of healthcare provision, and ensure the continued success of Salisbury Hospice Charity in supporting Specialist Palliative Care Services in Salisbury and District.

And finally I would like to thank all those people who gave so selflessly to the charity last year, both in terms of time and donations. Without you we would not have been able to achieve all that we have this year.

A handwritten signature in black ink, appearing to read 'Shaun McGee', written over a horizontal dashed line.

DR SHAUN MCGEE
CHAIR

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1. Who we are

Salisbury Hospice Charity (the working name of Salisbury Hospicecare Trust Limited registered charity number 282484), was established by a Deed of Trust dated 1st April 1981. On 1st April 2008 the charity was incorporated as a limited company, Salisbury Hospicecare Trust Limited registered charity number 1123314. A scheme to transfer the assets of the charity to the limited company was approved by the Charity Commission on 15th January 2009. The charity changed its working name to Salisbury Hospice Charity in July 2012.

1.2. What we do

By fundraising and careful management of the charity's net assets – which at March 2013 totalled £4,498,428 – the charity is both joint commissioner with Wiltshire Primary Care Trust and grant maker to Salisbury NHS Foundation Trust for the provision of specialist palliative care services.

The primary objectives of the charity are the relief of suffering in cancer and other life limiting illnesses and the promotion of related research. The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities and setting any grant making policy for the year. The charity carries out these objectives through the financial support of the palliative care services based in Salisbury Hospice run by Salisbury NHS Foundation Trust.

1.3. The specialist palliative care services we support

Salisbury Hospice provides an integrated and comprehensive service for patients with advanced, progressive, life-limiting illnesses, and also for their families and carers. In 2012/13 over 1000 people were supported by the clinical team based at Salisbury Hospice.

1.3.1. Inpatients. There are 10 inpatient beds. Patients are admitted from both the community and hospital, with reasons for admission including symptom control, rehabilitation, specialist assessment, and end of life care. In 2012/13 there was a total of 256 admissions to the inpatient unit.

1.3.2. Community (incorporating outpatients). Members of the hospice multidisciplinary team work in the community in partnership with GPs and district nurses to support patients and families at home. This includes clinical nurse specialists, doctors, therapy staff, and social workers supported by admin staff and volunteers. Demand for this part of our service is increasing. In 2012/13 520 patients were supported by the hospice team in the community.

1.3.3. Hospital. Input from members of the Specialist Palliative Care team provides support to patients, families and staff on the acute wards in Salisbury NHS Foundation Trust This is primarily provided by a small team of Nurse Specialists and doctors with additional support from other hospice staff. In 2012/13 353 patients were seen by the hospice team in the hospital setting.

1.3.4. Day Care. The Peter Gillam Support Centre provides a day care service for patients at the hospice 4 days a week. This provides both social support for patients and a day of respite for carers. In addition there are carers' days once a month which patients and carers can attend together. In 2012/13, 111 patients attended day care.

1.3.5. Therapy Team. The occupational therapists and physiotherapist work predominantly on the inpatient unit but also in the other branches of the service. In 2012/13 165 patients were supported by the therapy team.

1.3.6. Family Support and Bereavement. The social workers in the family support team work with both patients and their families. They coordinate the bereavement service which is delivered by specially trained volunteers as well as other members of the multidisciplinary team. In 2012/13 285 clients received bereavement support services and 329 patients received family support services.

1.3.7. Education. The education service offers a range of learning opportunities for both health professionals and informal carers. Highlights from 2012/13 included (i) two very well evaluated GP study days, (ii) further development of the Carer Skills Programme which helps relatives feel more confident looking after someone at home, and (iii) the introduction of staff wellbeing days to sustain staff working in this emotionally demanding area.

1.4. Trustees

The charity is administered by a board of nine unpaid trustees. They come from a variety of relevant backgrounds including medical, nursing, accounting, law, personnel management, public relations and community representatives. The trustees meet quarterly and in addition oversee finance and investments, recruitment and pay, and the work of the officers to the trustees. All policy decisions are taken by the board of trustees.

Staff recruitment and remuneration is now overseen by the Remuneration Committee, set up in September 2011.

In recognition of the changing charity landscape and the increased need for trustees with particular professional skills, in February 2012 the Nominations Committee was set up to

oversee the recruitment and induction of new trustees. The role of the committee is to identify and recommend new trustees, who are then ratified by the board. Alongside a structured trustee recruitment process a formal induction programme has been developed.

In March 2012 the Executive Board was set up, a partnership board with representation from both commissioning bodies (the charity and currently Wiltshire PCT) and the service deliverer Salisbury NHS Foundation Trust. The role of the board is to support, advise and make recommendations on service development and sustainability.

1.5. Profiles of the trustees

Dr Shaun McGee (chair of board and member of F & I, Nominations and Remuneration Committees, chair of Executive Board)

Shaun has been a trustee of the charity since 2006 and chair of trustees since 2007. He was educated at the University of Oxford and studied medicine at St Thomas' Hospital Medical School, London. He was appointed Consultant Radiologist in Salisbury in November 1995, from his previous post as Associate Professor in Radiology, Duke University Medical Centre, North Carolina, USA. He is also an examiner for the Royal College of Radiologists, and a member of the National Cancer Peer Review team. He is supported by his wife Janet, who is a GP partner in Fordingbridge.

Ceri Hurford-Jones (vice chair and member of Remuneration Committee)

Ceri has been a trustee of the charity since 2006. He is the managing director of independent local radio station Spire FM in Salisbury, where he has been based for over twelve years. Other posts held by Ceri include: vice chair of The Salisbury City Centre Partnership, director of Salisbury and District Chamber Of Commerce, a member of The Salisbury Diocese Communication Group and board member of Salisbury Cathedral Enterprises Ltd.

Robert Newman (trustee, chair of F & I Committee and member of Nominations Committee and Executive Board)

Robert has been a trustee of the charity since 2009. He was born and educated in Salisbury and qualified as a chartered accountant with a local firm before joining one of the "top five" firms in Southampton. He joined Moore Stephens as a partner in 1985 and in April 2013 was elected Chairman of Moore Stephens (South) LLP.

Colette Martindale (trustee, honorary secretary and chair of Remuneration Committee)

Colette has been a trustee of the charity since 2004. She began her nursing career as a student nurse in 1973 at St Thomas' Hospital, London. After qualifying she continued to work at St Thomas' as a staff nurse, night sister and for the final two years as an Orthopaedic Ward Sister. She moved to Salisbury in 1989 and has worked in various senior nurse roles at the

hospital. Colette is currently the Directorate Senior Nurse for Clinical Support and Family Services and she is also Lead Governor of the Foundation Trust.

Mr Ian Downie (trustee and chair of Nominations Committee)

Ian has been a trustee since 2010. After studying Dentistry in Liverpool where he worked in a variety of jobs in hospitals and the community, Ian migrated to the warmer climate of the south coast. He then studied medicine in Southampton and trained in general surgery before completing specialist training in maxillofacial surgery on the south coast. In 2002 he was appointed consultant oral and maxillofacial surgeon at Salisbury NHS Foundation Trust. Ian has run the south coast head and neck anatomy course for 14 years and is on the faculty for Head and Neck Anatomy at the Royal College of Surgeons and held the post of Salisbury post graduate dental tutor for 7 years. Ian was the clinical director for cancer services for three years and is currently the clinical director of the musculoskeletal directorate at Salisbury NHS Foundation Trust.

Andrew Mercer (trustee and member of Nominations Committee)

Andrew was appointed a trustee of the charity in December 2006. Qualifying as a solicitor in 1989, Andrew has been a partner with Trethowans LLP since 1995, joining its management board in 2003 and becoming chair in 2009. A collaboratively trained family lawyer and accredited specialist with Resolution he is recognised in both Chambers and the Legal 500. Previously a competitive swimmer and long distance World Record holder he is now an avid sports supporter through his children, who scull, play regional hockey and rugby, as well as reluctant stable hand to their CIC** eventing horse Platoon de L'Hocre. Andrew is also a Bath Rugby season ticket holder.

Dr Chris Glaysher (trustee)

Chris has been a trustee of the charity since 2001. On completing GP vocational training Chris was appointed a partner in his training practice, retiring from St Ann Street surgery in 2005. He was actively involved in medical education as a GP Trainer and was past chair of the Wessex RCGP Faculty; he was also a cancer lead for Wiltshire PCT. He has worked as a specialty doctor in the hospice since 2002.

Jonathan Simm (trustee)

Jonathan has been a trustee of the charity since October 2012. He is a founding partner of Altitude Partners LLP, a private equity fund based in Southampton that specialises in investing private money into SME businesses in Southern England. A chartered accountant by background, Jonathan has been involved in corporate investment and private equity since 1995. He is a member of the Finance & Investment Committee and his role is primarily in relation to overseeing the financial and investment aspects of the charity.

1.6. Our staff

During 2012/13 seven members of staff worked for Salisbury Hospicecare Trust Limited including:

- Sara Morley (chief executive)
- John Munro (fundraising manager - joined February 2013)
- Liz Bacon (finance officer)

1.7. Finance and Investment Committee

The Finance and Investment Committee meets quarterly before the meeting of the main trustee board. The committee oversees all financial matters of the charity and receives regular reports from both the charity's investment managers and auditors.

Members

Robert Newman (chair)

Dr Debbie Vyas (trustee) (stepped down May 2012)

Dr Shaun McGee (trustee)

Jonathan Simm (trustee) (joined October 2012)

1.8. Remuneration Committee

The committee was set up in September 2011 to oversee and make recommendations to the main board on staff recruitment, training and remuneration.

Members

Colette Martindale (chair)

Ceri Hurford-Jones (trustee)

Dr Shaun McGee (trustee)

Sara Morley (chief executive)

1.9. Nominations Committee

The Nominations Committee was set up in February 2012 to oversee the recruitment and induction of new trustees, including any new chair. The role of the committee is to identify and recommend new trustees to the main board. New trustees will then join the board at the charity's next AGM.

Members

Mr Ian Downie (chair)

Andrew Mercer (trustee)

Robert Newman (trustee)

Dr Shaun McGee (trustee)

Sara Morley (chief executive)

1.10. Executive Board

This partnership board was set up in March 2012 with representation from the commissioning bodies, currently the charity and Wiltshire PCT, and Salisbury NHS Foundation Trust. The purpose of the board is to:

- develop, own and ensure delivery of an agreed strategic plan for Salisbury Specialist Palliative Care Services;
- be responsible for planning on a five year cycle, with built-in annual review;
- oversee, monitor and support service development and budgets for Salisbury Specialist Palliative Care Services in accordance with the strategic plan;
- make recommendations to the individual organisation boards on matters relating to budget and future plans for Salisbury Specialist Palliative Care Services. The individual boards of the three member organisations to be responsible for any final decision.

Members

Dr Shaun McGee (chair)

Sara Morley (chief executive)

Robert Newman (trustee)

Dr Helen Kirk (lead clinician, Salisbury Hospice)

Sarah Hennell (senior nurse, Salisbury Hospice)

Malcolm Cassells (director of finance, Salisbury NHS Foundation Trust)

Peter Hill (chief operating officer, Salisbury NHS Foundation Trust)

Beatrix Maynard (Wiltshire PCT)

1.11. Risk Management

The trustees actively review the major risks which the charity faces on a regular basis and believe that maintaining the reserves at the levels stated in **4.3** combined with the annual review of the controls over key financial systems carried out through an internal review programme, will provide sufficient resources in the event of adverse conditions. The trustees have also examined other operational and business risks which the charity faces and confirm that they have established systems to mitigate any significant risks.

1.12. Partnerships - Wiltshire PCT and Salisbury NHS Foundation Trust

The charity has an on-going shared contract with Wiltshire Primary Care Trust to purchase jointly the full range of palliative care services from Salisbury NHS Foundation Trust. Therefore it supports patients, relatives and carers in the area covered by Salisbury NHS Foundation Trust benefit, which includes all of Wiltshire and parts of Hampshire and Dorset. The commissioners, i.e. currently Wiltshire PCT and Salisbury Hospicecare Trust Limited, meet with Salisbury NHS Foundation Trust on a quarterly basis to review delivery of the contract. The charity also has a direct relationship with Salisbury NHS Foundation Trust and makes grants outside the contract for specific projects not covered by the contract.

2. AIMS AND OBJECTIVES

The charity provides financial support for the palliative care service based at Salisbury Hospice, and for the relief of suffering in cancer and other life limiting illnesses and the promotion of related research. The aim of the charity is to fund, jointly with Wiltshire Primary Care Trust, the full range of palliative care services from Salisbury NHS Foundation Trust. In addition the charity provides funding for services over and above the contracted expenditure, as requested by clinical advisors.

3. STRATEGIC REVIEW

The charity is now in the second year of delivering the aims and objectives of a 3 year strategic review adopted in September 2011. The 5 agreed overarching aims are listed below:

1. *To have clearly defined aims and objectives.*
2. *To develop an effective partnership with Salisbury NHS Foundation Trust and existing and future co-commissioning bodies.*
3. *To raise the profile and visibility of the charity both internally and externally to facilitate grant making and fundraising.*
4. *To demonstrate accountability and transparency in all its operations and processes.*
5. *To create a clearly defined long-term fundraising strategy.*

4. FINANCIAL REVIEW

4.1. Money received – money spent

Income from fundraising, investments and other activities (i.e. excluding the grant from Wiltshire Primary Care Trust) amounted to £1,378,724 (2011/12: £1,316,766). Expenditure amounted to £2,325,663 (2011/12: £2,160,554) or excluding the Wiltshire PCT funding £1,533,663 in 2011/12 (2011/12: £1,413,795). The charity ended the year with a net deficit of £154,939 (2011/12: deficit of £97,029).

Realised and unrealised gains and losses on investments meant there was a net surplus of £372,463 in 2012/13 (2011/12: loss of £55,303). This meant that there was an overall net surplus for the year of £217,524 (2010/11: deficit of £152,332).

4.2. Investments and management of funds

The quoted investments are managed by investment manager Cazenove Capital Management Limited, who are authorised to make transactions on a discretionary basis. The attitude of the trustees to risk is medium/low and the total return to the charity is to be maximised by both capital appreciation and income growth. The investment manager reports to the chief executive who in turn reports to the trustees on a regular basis.

Like many voluntary sector organisations the charity has benefited from substantial income from legacies which by their very nature are unpredictable. Conversely the charity's expenditure, which is mainly composed of salaries, is largely predictable and requires payment to be made on a regular basis. The charity therefore holds adequate liquid funds in short term deposits to ensure that monies are available when needed and are not subject to short term stock market fluctuations.

4.3. Reserves policy

The trustees continue to monitor the level of the charity's reserves that amount to £4,498,428 (2011/12: £4,280,904) which they believe to be adequate.

<i>Designated Funds</i>	<i>2012/13</i>	<i>2011/12</i>
Protection of Services Fund	£1,316,000	£1,682,000
<i>Unrestricted Funds</i>	<i>2012/13</i>	<i>2011/12</i>
General Fund	£2,753,794	£2,580,722

The Protection of Services Fund was established to enable the current level of activities to be maintained if the funding arrangements with Wiltshire Primary Care Trust were to be significantly reduced. In 2011/12 the fund was used to protect the service from the impact

of a shortfall in funding of £318,000, identified by the NHS trust in the summer of 2011. In 2012/13 the fund was similarly used to fund a gap of £366,000.

The General Fund includes funds both unrestricted and undesignated and is used to smooth out fluctuations in voluntary and investment income.

At the end of the year under review there were free reserves of £356,235.

5. PLANS FOR THE FUTURE

The landscape has changed dramatically in the last 3 years, both in terms of funding and changes in the palliative care environment. Therefore following on from the trustees' away day in March 2013 the charity is now developing plans for the future alongside SSPCS and Wiltshire Clinical Commissioning Group.

PUBLIC BENEFIT

The trustees of Salisbury Hospicecare Trust Limited have taken note of the Charity Commission guidance on Public Benefit.

TRUSTEE RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

Company law requires the trustees to prepare financial statements that give a true and fair view of the state of affairs of the charity at the end of the financial year and of its surplus or deficit for the financial year.

In doing so the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make sound judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

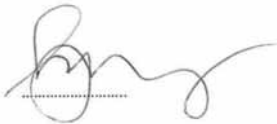
The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and enables them to ensure that the financial statements comply with the Companies Act 2006.

The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each trustee has taken all the steps that he or she ought to have taken as a trustee in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Approved by the Board of Trustees on the 29th August 2013 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'Dr Shaun McGee', written over a horizontal dotted line.

Dr Shaun McGee
Chair

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF SALISBURY HOSPICECARE TRUST LIMITED

We have audited the financial statements of Salisbury Hospicecare Trust Limited for the year ended 31st March 2013 which comprise the Statement of Financial Activities, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 15, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable 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 implication for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

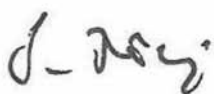
In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- 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 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.

Simon Ellingham FCA DChA (Senior Statutory Auditor)
for and on behalf of Fawcetts
Chartered Accountants and Statutory Auditors
Windover House
St Ann Street
Salisbury
SP1 2DR



Dated: 3 September 2013

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2013**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
INCOMING RESOURCES						
Income from charitable activities						
Grants from Wilts PCT		792,000	-	-	792,000	746,759
Income from trading activities	2	45,398	-	-	45,398	52,314
Income from generated funds						
Donations and gifts	3	261,536	-	1,105	262,641	328,898
Legacies		285,633	-	500,000	785,633	628,059
Fundraising		165,165	-	-	165,165	187,771
Fees and other income		4,438	-	-	4,438	2,992
Investment income	4	115,449	-	-	115,449	116,732
Total incoming resources		1,669,619	-	501,105	2,170,724	2,063,525
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising and publicity	5	83,764	-	-	83,764	57,583
Trading expenses	2	9,963	-	-	9,963	7,889
Charitable activities	5	1,750,271	366,000	90,653	2,206,924	2,067,338
Governance costs	5	25,012	-	-	25,012	27,744
Total resources expended		1,869,010	366,000	90,653	2,325,663	2,160,554
NET INCOMING/(OUTGOING) RESOURCES		(199,391)	(366,000)	410,452	(154,939)	(97,029)
OTHER RECOGNISED GAINS AND LOSSES						
Gains/(losses) on investment assets						
Realised		16,712			16,712	(20,728)
Unrealised		355,751			355,751	(34,575)
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		173,072	(366,000)	410,452	217,524	(152,332)
TRANSFERS BETWEEN FUNDS		-	-	-	-	-
NET MOVEMENT IN FUNDS		173,072	(366,000)	410,452	217,524	(152,332)
Fund balances brought forward at 1 April 2012		2,580,722	1,682,000	18,182	4,280,904	4,433,236
Fund balances carried forward at 31 March 2013		2,753,794	1,316,000	428,634	4,498,428	4,280,904

The statement of financial activities includes all gains and losses recognised in the year. All incoming resources and resources expended derive from continuing activities.

BALANCE SHEET
AS AT 31 MARCH 2013

	Notes	2013 £	2012 £
FIXED ASSETS			
Tangible assets	8	6,697	13,156
Investments	9	4,135,496	3,866,744
		<u>4,142,193</u>	<u>3,879,900</u>
CURRENT ASSETS			
Stock	10	3,572	1,423
Debtors	11	43,841	103,526
Cash at bank and in hand		821,718	480,650
		<u>869,131</u>	<u>585,599</u>
CREDITORS			
Amounts falling due within one year	12	<u>(512,896)</u>	<u>(184,595)</u>
NET CURRENT ASSETS		<u>356,235</u>	<u>401,004</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,498,428</u>	<u>4,280,904</u>
FUNDS			
Unrestricted funds		2,753,794	2,580,722
Designated funds	13	1,316,000	1,682,000
Restricted funds	14	428,634	18,182
		<u>4,498,428</u>	<u>4,280,904</u>

The financial statements were approved by the Board of Trustees on 29th August 2013 and signed on its behalf by:



Dr Shaun McGee
Chair



Mr Robert Newman
Treasurer

The notes on pages 19 to 28 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared under the historical cost convention and in accordance with the Statement of Recommended Practice, Accounting and Reporting by Charities: Charities SORP 2005, applicable accounting standards and the Companies Act 2006.

The charity has taken advantage of the exemptions in Financial Reporting Standard No. 1 from the requirement to produce a cash flow statement.

Income Recognition

Income received for specific purposes is treated as restricted. All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Voluntary income is accounted for on a receipts basis.

Investment income is accounted for in the period in which the charity is entitled to the receipt.

Legacies are included when the charity is advised by the personal representative of an estate that payment will be made or property transferred and the amount involved can be quantified.

Income tax recoverable in relation to investment income is recognised at the time the investment income is received.

Resources Expended

All expenditure is included on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributed to one of the functional categories of resources expended in the SOFA.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of charitable activities.

Governance costs are those incurred in connection with the administration of the charity and compliance with constitutional and statutory requirements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2013

Depreciation

Depreciation is calculated to write down the cost or valuation, less estimated residual value, of all tangible fixed assets over their expected useful lives. This applies to assets with a value of £250 or more. The bases used to calculate depreciation are as follows:

Computers	Straight line over three years
Office equipment	Straight line over five years

Funds Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds are unrestricted funds which have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds subject to specific restrictive conditions imposed by donors or by the purpose of an appeal. Such donations and grants are treated as income in the year of receipt. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

Consolidated Accounts

The charity has a dormant subsidiary company, Salisbury Hospice Trading Limited, which has never traded and which has no assets or liabilities. Consolidated accounts have not been prepared as the trustees are of the opinion that they would be of no real value to the members in view of the insignificant amounts involved.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

2. TRADING ACTIVITIES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Income:					
Hospice shop	28,448	-	-	28,448	35,369
Sale of purchased goods	16,950	-	-	16,950	16,945
Total Income	45,398	-	-	45,398	52,314
Expenses:					
Cost of goods for resale	9,963	-	-	9,963	7,889
Total Expenses	9,963	-	-	9,963	7,889
Net surplus/(deficit)	35,435	-	-	35,435	44,425

Since 2008 the charity has been in partnership with Dorothy House Hospice which has run The Hospice Shop in Salisbury, a joint venture for the benefit of both hospices. Income and expenditure is shared equally. Since 1st April 2010, Dorothy House Hospice has given the charity 50% of the net income (or profit) after deduction of operating expenditure.

3. DONATIONS AND GIFTS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Individuals	97,827	-	1,105	98,932	154,231
In Memoriam	114,699	-	-	114,699	116,095
Organisations and Trusts	49,010	-	-	49,010	58,572
	261,536	-	1,105	262,641	328,898

4. INVESTMENT INCOME

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Listed investments	111,031	-	-	111,031	115,897
Bank deposit interest	4,418	-	-	4,418	835
	115,449	-	-	115,449	116,732

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

Fundraising and Publicity

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Staff costs	54,050	-	-	54,050	28,837
Direct events expenses	13,184	-	-	13,184	11,950
Publicity and public relations	16,530	-	-	16,530	16,796
	83,764	-	-	83,764	57,583

Charitable Activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Administration:					
Staff costs	145,075	-	-	145,075	126,528
Office costs	21,266	-	-	21,266	15,986
Other costs	35,662	-	-	35,662	20,600
Depreciation	7,088	-	-	7,088	6,878
Hospice:					
Clinical contract fee (including deficit funding)	1,828,000	-	75,000	1,903,000	1,815,024
Hospice expenses (non-contract)	79,180	-	15,653	94,833	82,322
	1,750,271	366,000	90,653	2,206,924	2,067,338

Governance Costs

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2013 £	Total 2012 £
Audit fee	4,600	-	-	4,600	4,020
Consultancy fees	16,301	-	-	16,301	14,850
Legal fees	4,111	-	-	4,111	8,874
Trustees' expenses	-	-	-	-	-
	25,012	-	-	25,012	27,744

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

6. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging/crediting:

	2013	2012
	£	£
Depreciation	7,088	6,878
Auditors' remuneration	4,600	4,020
	<u>11,688</u>	<u>10,898</u>

7. STAFF COSTS

	2013	2012
	£	£
Wages and salaries	167,048	136,311
Social security costs	16,492	11,882
Pension costs	15,584	7,172
	<u>199,124</u>	<u>155,365</u>

The average monthly number of employees during the year was as follows:

	2013	2012
	£	£
Administration	<u>7</u>	<u>5</u>

One employee earned £60,000 per annum or more (2011/12: none).

Seven members of staff work for the charity. Up to September 2011, three members of staff were employed through and paid for by Salisbury NHS Foundation Trust, which then charged this cost to the charity. In October 2011 these three members of staff were transferred over to the charity under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE). At this point the charity became responsible directly for the costs of employing these staff.

The staff TUPEd over from the NHS retain membership of the NHS Pensions Scheme under a directive. For all other staff the charity operates a defined contribution pension scheme. Contributions are charged to the SOFA as they fall due and amounted to £15,584 in the year (2011/12: £7,172). At the balance sheet date there were outstanding contributions of £1,706 (2011/12: £4,124).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

8. FIXED ASSETS

	Computers £	Office Equipment £	Total £
Cost			
As at 1 April 2012	11,216	15,696	26,912
Additions	629	-	629
Disposals	-	-	-
As at 31 March 2013	11,845	15,696	27,541
Depreciation			
As at 1 April 2012	7,478	6,278	13,756
Charge for the year	3,948	3,140	7,088
Disposals			
As at 31 March 2013	11,426	9,418	20,844
Net Book Value at 31 March 2013	419	6,278	6,697
Net Book Value at 31 March 2012	3,738	9,418	13,156

9. FIXED ASSET INVESTMENTS

	£
Valuation at 1 April 2012	3,866,744
Additions	726,849
Disposals	(828,901)
Revaluations	370,804
At 31 March 2013	4,135,496

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

10. STOCK

	2013	2012
	£	£
Stock for resale	<u>3,572</u>	<u>1,423</u>

11. DEBTORS

Legacies	-	3,937
Other debtors	30,842	63,338
Gift Aid	12,999	36,251
	<u>43,841</u>	<u>103,526</u>

12. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013	2012
	£	£
Trade creditors	490,520	148,993
Accruals	14,798	27,156
Other creditors	7,578	8,446
	<u>512,896</u>	<u>184,595</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

13. DESIGNATED FUNDS

The funds of the charity include the following designated funds which have been set aside by the trustees out of unrestricted funds for specific purposes:

	Balance 1 April 2012 £	New designations £	Utilised/ released £	Balance 31 March 2013 £
Protection of Services Fund	1,682,000	-	366,000	1,316,000
	<hr/> 1,682,000	<hr/> -	<hr/> 366,000	<hr/> 1,316,000

The Protection of Services Fund was established to enable the current level of activities to be maintained if the funding arrangements with Wiltshire Primary Care Trust were to be significantly reduced.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

14. RESTRICTED FUNDS

	Balance at 1 April 2012 £	Incoming Resources £	Resources Expended £	Balance at 31 March 2013 £
Children's Bereavement Fund	16,126	50	(1,964)	14,212
Staff Fund	411	500	-	911
PGSC Fund	-	555	(555)	-
Tisbury Lodge Fund	1,645		-	1,645
Training and Development for nursing staff at the hospice	-	500,000	(88,134)	411,866
	18,182	501,105	(90,653)	428,634

Children's Bereavement Fund

The charity receives funds for the purpose of treating child bereavement issues.

Staff Fund

The charity holds a small amount of funds provided by gifts to the hospice for staff on their behalf until the funds are required.

PGSC Fund

The charity receives funds for the benefit of the Peter Gillam Support Centre.

Tisbury Lodge Fund

The charity receives funds to purchase specific equipment.

Training and Development for Nursing Staff Fund

This represents a restricted legacy left for the education, as in training and development, of nursing staff.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2013**

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Fixed assets	2,397,559	1,316,000	428,634	4,142,193
Net current assets	356,235	-	-	356,235
	<u>2,753,794</u>	<u>1,316,000</u>	<u>428,634</u>	<u>4,498,428</u>

16. RELATED PARTY TRANSACTIONS

Since 1 April 1996 the relationship between Salisbury Hospicecare Trust Limited, Wiltshire Primary Care Trust and Salisbury NHS Foundation Trust has been placed on a contractual basis. The original agreement was for a period of three years to 31 March 1999 with a provision for termination at twelve months' notice by any party.

In the financial year ending March 2013 the total sum given to Salisbury NHS Foundation Trust under the contract was £1,903,000 (2011/12: £1,815,024) which includes Wiltshire Primary Care Trust's contribution of £792,000 (2011/12: £746,759) and £366,000 deficit funding by the charity (2011/12: £318,000). Salisbury Hospicecare Trust Limited separately provided funding for equipment and expenses to Salisbury NHS Foundation Trust outside of the contract which amounted to £94,833 (2011/12: £82,322).

Thus the total funding provided by Salisbury Hospicecare Trust Limited from its own resources in 2012/13 to Salisbury NHS Foundation Trust, including amounts both in and outside of the contract was £1,205,833 (2011/12: £1,150,587).

At the balance sheet date Salisbury Hospicecare Trust Limited owed Salisbury NHS Foundation Trust £477,421 (2011/12: £130,899).

During the year there were transactions with Trethowans Solicitors, where one of the trustees is a partner. The total amount invoiced in the year was £4,111 (2011/12: £7,784). At the balance sheet date Salisbury Hospicecare Trust Limited owed Trethowans Solicitors £210 (2011/12: £2,072).



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Salisbury Hospicecare Trust Limited (Salisbury Hospice Charity) is a Registered Charity (No. 1123314) and a Company Limited by Guarantee registered in England (No. 6525170).