

Annual Report & Accounts

for the year ended 31 March 2014

**INDEX TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

CONTENTS

CHAIR AND TRUSTEES' REPORT	2
LETTER FROM THE CHAIR	3
1. STRUCTURE, GOVERNANCE AND MANAGEMENT	5
2. AIMS AND OBJECTIVES	9
3. STRATEGIC REVIEW	9
4. FINANCIAL REVIEW.....	10
5. PLANS FOR THE FUTURE	11
INDEPENDENT AUDITOR'S REPORT.....	13
STATEMENT OF FINANCIAL ACTIVITIES	15
BALANCE SHEET.....	16
NOTES TO THE FINANCIAL STATEMENTS.....	17

**CHAIR AND TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2014**

The trustees present their report with the financial statements of the charity for the year ended 31st March 2014.

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	Ceri Hurford-Jones (Chair) Robert Newman (Vice-chair & Treasurer) Colette Martindale (Honorary Secretary) Dr Shaun McGee (resigned December 2013) Jonathan Simm (resigned January 2014) Dr Chris Glaysher Andrew Mercer Mr Ian Downie David Pardoe (appointed February 2014) Richard Hilliard (appointed May 2014) Stella Sykes (appointed May 2014)
Chief Executive	Sara Morley (resigned March 2014)
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

The past year has been an enormously exciting time for Salisbury Hospice Charity and, indeed, for Salisbury Hospice itself. The changes and developments which we as a charity have been able to support and implement at the Hospice will be extremely valuable in helping the clinical team to continue to deliver their Specialist Palliative Care Services in a vastly improved physical environment. This will be of untold benefit to our patients, their families and carers and, of course, to our wonderful team of specialist doctors and nurses.

As your new Chairman may I, firstly, offer my huge thanks to my predecessor, Dr Shaun McGee, who led the Board of Trustees so very ably for several years. His skilful leadership has left a strong legacy and we are all indebted to him for his wisdom, experience and hard work undertaken on behalf of the Charity. I would also like to extend my sincere thanks to all those who have offered such superb support to Salisbury Hospice Charity in what has been a very challenging year, in particular our large team of volunteers, without whom we could not function, and also those in the community who have worked so hard on our behalf raising vital funds and making donations which enable us to continue to be able to provide Specialist Palliative Care Services in this area.

I must also thank my fellow Trustees for their valuable advice and sound direction; their wise counsel is based on years of commercial and clinical experience and is always given with generosity. In the past year we have welcomed David Pardoe, Richard Hilliard and Stella Sykes to the Board.

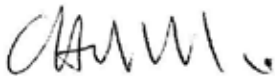
We have now reached the end of our Three Year Strategic Review and the Board of trustees are now looking ahead and planning for the coming years. Many exciting and challenging opportunities lie ahead of us which will enable Salisbury Hospice Charity to maintain and develop further the services offered by the team at Salisbury Hospice. We shall be undertaking further consultations with Salisbury NHS Foundation Trust and, of course, our own team of clinical staff in order to plan effectively and realistically for the future. Part of this ongoing review process are discussions on developing a new Hospice at Home service, which would be an exciting and significant addition to the range of Specialist Palliative Care Services provided by Salisbury Hospice. We also continue to examine our own finances closely to ensure we deliver the very best value for money in terms of the Charity's income and expenditure.

We are extremely excited to have been able to expand our retail operation so successfully by opening our very own Salisbury Hospice Charity shop. All profits from this shop come to Salisbury Hospice Charity, which continues to provide us with a significant and ever increasing new income stream. Donations of unwanted clothes and household goods are always welcomed by our team of managers and volunteers in the shop.

The Charity's dedicated fundraising team, led by the ever enthusiastic John Munro, continue to work tirelessly on ensuring that Salisbury Hospice Charity continues to contribute significantly to the funding of the day to day expenses incurred in the running of the Hospice. You will be pleased to learn that the fund raising team will shortly be moving to a new base on the Salisbury Hospital site, not far from the Hospice itself; with new team members being recruited - this will only go to strengthen the Charity's ability to move forward successfully in ever-challenging times.

The continued support of our donors remains vital to the Charity's function; one-off donations are, of course, much needed and are enormously appreciated, but ever more important in helping us to lay effective and realistic plans for future developments at the Hospice are donors who commit to Regular Giving. Legacies, too, remain an absolutely vital part of our income and, as always, we are very grateful to donors who wish to plan to help us in this way.

I am constantly astounded and humbled by the support and commitment we receive from individuals and companies within our community. Each offer of voluntary or financial support we receive makes a real, tangible difference to the work of Salisbury Hospice Charity, and hence to the very high quality of care our patients receive. To all those who continue to stand alongside us as we proudly support our wonderful Hospice, I thank you. Please know that without your help there would, quite simply, be no Salisbury Hospice.



CERI HURFORD-JONES
CHAIR

1. STRUCTURE, GOVERNANCE AND MANAGEMENT

1.1. Who we are

Salisbury Hospicecare Trust, 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.

1.2. What we do

By fundraising and careful management of the charity's net assets – which at March 2014 totalled £4,448,515 – a 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 2013/14 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, special assessment, and end of life care. In 2013/14 there was a total of 251 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 2013-14 509 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 of 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 2013-14 386 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 2013-14 78 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 2013-14 157 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 2013-14 724 clients received bereavement support services and 106 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, including GP study days, a Carer Skills Programme which helps relatives feel more confident looking after someone at home, and staff wellbeing days, to sustain staff working in this emotionally demanding area.

1.4. Trustees

The charity is administered by a board of up to nine unpaid trustees. They come from a variety of relevant backgrounds including medical, nursing, accounting, law, property management, public relations and community representatives. The trustees meet quarterly and in addition oversee finance and investments, recruitment and pay.

Staff recruitment and remuneration is overseen by the Remuneration Committee.

1.5. Profiles of the trustees

Ceri Hurford-Jones (chair of board and member of F & I Committee and Remuneration Committee)

Ceri is the Managing Director of Spire FM and has been a trustee of the charity since 2006. He lives in the picturesque village of Downton where he and his family take an active part in community activities including charity fund raisers and amateur dramatics. As the man at the helm of Spire FM for over 17 years he has led the continued challenge to develop the stations products and services in line with the needs faced by the South Wiltshire business community. Other posts held by Ceri include: Director of Salisbury and District Chamber of Commerce, board member of Salisbury Cathedral Enterprises Ltd, deputy church warden and Lay Canon of Salisbury Cathedral. He lists as his main hobbies walking, sailing and motor sport.

Robert Newman (vice chair and chair of F & I Committee)

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" firms in Southampton. He joined Moore Stephens as a partner in 1985 and is now chairman of Moore Stephens (South) LLP. Robert is also treasurer of VisitWiltshire Ltd.

Colette Martindale (trustee and chair of the Remuneration Committee)

Collette has been a trustee of the charity since 2004. She started her nursing career as a student nurse in 1973 at St Thomas's Hospital, London. After qualifying she continued to work at St Thomas's 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. She gained her Masters in Inter-professional Health and Social Care in 2005 and in the last three years she has trained and qualified as an Executive Coach. Colette is currently the Directorate Senior Nurse for Clinical Support and Family Services and she is Lead Governor of the Foundation Trust.

Mr Ian Downie (trustee)

Ian has been a trustee of the charity since 2010. After studying Dentistry in Liverpool he worked in a variety of jobs in hospitals and the community in that city, 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 an interest in teaching, he 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 chair of Shop Committee) 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 are involved in hockey, rugby and athletics at international and county level. Andrew is also a Bath Rugby season ticket holder.

Dr Chris Glaysher (trustee and member of F & I Committee)

Chris has been a trustee of the charity since 2001. He has worked as a general practitioner in Salisbury for 32 years, and up to retirement from medical practice in September 2010 he also worked as a specialist doctor in palliative medicine for 8 years.

David Pardoe (trustee and member of Shop Committee)

A Director of Humberts in Salisbury, David has been a Chartered Surveyor for over 15 years, specialising in rural properties and businesses. He is actively involved in professional training, being an external Examiner for the Royal Agricultural University and an assessor for the Assessment of Professional Competence for entry to the Royal Institution of Chartered Surveyors.

Richard Hilliard (trustee)

Richard held senior management positions in the City of London and the USA for many years. Now he works as an Executive Coach in London, focussing particularly on the impact that work-related anxiety can have on promising careers.

Stella Sykes (trustee)

Stella has lived in Fordingbridge for 25 years and has worked for Salisbury Hospice as a volunteer and bank administrator for nearly 20 years. She has also been involved with many fundraising events. She was Governor representing the Volunteers for Salisbury NHS Foundation Trust from 2006 to 2009. Her background has been in copy-writing, writing press releases and editing a trade magazine for the fashion industry, as well as organising a major trade show twice a year. Stella has written two novels, several short stories and articles.

1.6. Our staff

During 2013-14 ten members of staff worked for Salisbury Hospicecare Trust Limited

1.7. Finance and Investment Committee

The Finance and Investments 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.

1.8. Remuneration Committee

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

1.9. Shop Committee

Set up to oversee the creation and running of the Salisbury Hospice Charity shop.

1.10. 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.

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, 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 third 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 amounted to £1,571,941 (2012/13: £1,378,724). Expenditure amounted to £1,745,583 (2012/13: £1,533,663) The charity ended the year with a net deficit of £173,642 (2012/13: deficit of £154,939).

Realised and unrealised gains and losses on investments meant there was a net surplus of £123,729 in 2013/14 (2012/13: surplus of £372,463). This meant that there was an overall net deficit for the year of £49,913 (2012/13: surplus of £217,524).

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 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 and payments under contract to Salisbury NHS Foundation Trust, 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 £4,448,515 (2012/13: £4,498,428) and which they believe to be adequate.

<i>Designated Funds</i>	<i>2013/14</i>	<i>2012/13</i>
Protection of Services Fund	£957,000	£1,316,000
<i>Unrestricted Funds</i>	<i>2013/14</i>	<i>2012/13</i>
General Fund	£2,710,373	£2,753,794

The Protection of Services Fund was established to enable the current level of activities to be maintained if the funding were to be significantly reduced.

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 £40,102.

5. PLANS FOR THE FUTURE

The economic climate especially for the charitable sector is still very challenging. The charity has undergone significant changes in personnel during the last year which has required a restructure of responsibilities. The trustees are continuing to look at ways to increase revenue and will be working closely with Salisbury NHS Foundation Trust.

PUBLIC BENEFIT

The trustees of Salisbury Hospice Charity 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.

**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 2014 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 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 THE TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, 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 and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications 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 2014, 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 trustee's remuneration specified by law are not made; or we have not received all the information and explanations we require for our audit.



Simon Ellingham BA 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: 17 October 2014

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2014**

	Notes	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
INCOMING RESOURCES						
Income from charitable activities						
Grants from Primary Care Trust		-	-	-	-	792,000
Grant NHS England		-	-	528,752	528,752	
Income from trading activities	2	86,972	-	-	86,972	45,398
Income from generated funds						
Donations and gifts	3	235,932	-	685	236,617	262,641
Legacies		418,678	-	-	418,678	785,633
Fundraising		188,156	-	-	188,156	165,165
Fees and other income		1,941	-	-	1,941	4,438
Investment income	4	110,825	-	-	110,825	115,449
Total incoming resources		1,042,504	-	529,437	1,571,941	2,170,724
RESOURCES EXPENDED						
Costs of generating funds						
Fundraising and publicity	5	137,840	-	-	137,840	83,764
Trading expenses	2	65,546	-	-	65,546	9,963
Charitable activities	5	991,628	359,000	176,929	1,527,557	2,206,924
Governance costs	5	14,640	-	-	14,640	25,012
Total resources expended		1,209,654	359,000	176,929	1,745,583	2,325,663
NET INCOMING/(OUTGOING) RESOURCES		(167,150)	(359,000)	352,508	(173,642)	(154,939)
OTHER RECOGNISED GAINS AND LOSSES						
Gains/(losses) on investment assets						
Realised		(1,849)	-	-	(1,849)	16,712
Unrealised		125,578	-	-	125,578	355,751
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		(43,421)	(359,000)	352,508	(49,913)	217,524
TRANSFERS BETWEEN FUNDS						
		-	-	-	-	-
NET MOVEMENT IN FUNDS		(43,421)	(359,000)	352,508	(49,913)	217,524
Fund balances brought forward at 1 April 2013		2,753,794	1,316,000	428,634	4,498,428	4,280,904
Fund balances carried forward at 31 March 2014		2,710,373	957,000	781,142	4,448,515	4,498,428

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 2014

	Notes	2014 £	2013 £
FIXED ASSETS			
Tangible assets	8	42,599	6,697
Investments	9	3,924,404	4,135,496
		<u>3,967,003</u>	<u>4,142,193</u>
CURRENT ASSETS			
Stock	10	3,031	3,572
Debtors	11	611,139	43,841
Cash at bank and in hand		383,367	821,718
		<u>997,537</u>	<u>869,131</u>
CREDITORS			
Amounts falling due within one year	12	<u>(516,025)</u>	<u>(512,896)</u>
NET CURRENT ASSETS		<u>481,512</u>	<u>356,235</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,448,515	4,498,428
		=====	=====
FUNDS			
Unrestricted funds		2,710,373	2,753,794
Designated funds	14	957,000	1,316,000
Restricted funds	15	781,142	428,634
		<u>4,448,515</u>	<u>4,498,428</u>
		=====	=====

The financial statements were approved and authorised for issue by the Board of Trustees on 13 September 2014 and signed on its behalf by:



Mr Ceri Hurford-Jones
Chair



Mr Robert Newman
Treasurer

The notes on pages 17 to 28 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2014

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 2014

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
Shop Fixture & Fittings	Straight line over three and 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 2014**

2. TRADING ACTIVITIES

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Income:					
Shop income DH/SHC	10,327	-	-	10,327	28,448
Shop income SHC	61,484	-	-	61,484	-
Sale of purchased goods	15,161	-	-	15,161	16,950
Total Income	86,972	-	-	86,972	45,398
Expenses:					
Cost of goods for resale	8,102	-	-	8,102	9,963
Shop costs – SHC	33,652	-	-	33,652	-
Shop staff	23,792	-	-	23,792	-
Total Expenses	65,546	-	-	65,546	9,963

Since 2008, the charity has run The Hospice Shop in partnership with Dorothy House Hospice. Income and expenditure is shared equally. Since 1st April 2010, Dorothy House Hospice has given the charity 50% of the net income after deduction of operating expenditure. Additionally, in August 2014, the charity opened its own independent shop in Salisbury.

3. DONATIONS AND GIFTS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Individuals	70,827	-	685	71,512	98,932
In Memoriam	105,991	-	-	105,991	114,699
Organisations and Trusts	59,114	-	-	59,114	49,010
	235,932	-	685	236,617	262,641

4. INVESTMENT INCOME

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Listed investments	109,630	-	-	109,630	111,031
Bank deposit interest	1,195	-	-	1,195	4,418
	110,825	-	-	110,825	115,449

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

5. ANALYSIS OF TOTAL RESOURCES EXPENDED

Fundraising and Publicity

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Staff costs	89,132	-	-	89,132	54,050
Direct events expenses	35,871	-	-	35,871	13,184
Publicity and public relations	12,837	-	-	12,837	16,530
	137,840	-	-	137,840	83,764

Charitable Activities

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Administration:					
Staff costs	174,809	-	-	174,809	145,075
Office costs	42,683	-	-	42,683	21,266
Other costs	18,301	-	-	18,301	35,662
Depreciation	15,105	-	-	15,105	7,088
Hospice:					
Clinical contract fee (including deficit funding)	670,000	359,000	75,000	1,104,000	1,903,000
Hospice expenses (non-contract)	70,730	-	101,929	172,659	94,833
	991,628	359,000	176,929	1,527,557	2,206,924

Governance Costs

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total 2014 £	Total 2013 £
Audit fee	4,260	-	-	4,260	4,600
Consultancy fees	2,430	-	-	2,430	16,301
Legal fees	7,950	-	-	7,950	4,111
Trustees' expenses	-	-	-	-	-
	14,640	-	-	14,640	25,012

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

6. NET INCOMING RESOURCES FOR THE YEAR

This is stated after charging/crediting:

	2014	2013
	£	£
Depreciation	15,105	7,088
Auditors' remuneration	4,260	4,600
Operating lease rentals – land and buildings	15,199	-
	<u>34,564</u>	<u>11,688</u>

7. STAFF COSTS

	2014	2013
	£	£
Wages and salaries	249,602	167,048
Social security costs	22,452	16,492
Pension costs	15,679	15,584
	<u>287,733</u>	<u>199,124</u>

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

	2014	2013
	£	£
Administration/Fundraising	8	7
Shop	2	-
	<u>10</u>	<u>7</u>

One employee earned over £60,000 and under £70,000 in the year (2012/13: one).

The staff transferred over to the charity under the Transfer of Undertakings (Protection of Employment) Regulations (TUPEd) retains 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 £15,679 in the year (2012/13: £15,584). At the balance sheet date there were outstanding contributions of £1,924 (2012/13: £1,706).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

8. FIXED ASSETS

	Computers £	Office Equipment £	Shop Fixtures & Fittings £	Total £
Cost				
As at 1 April 2013	11,845	15,696	-	27,541
Additions	5,512	1,026	44,469	51,007
Disposals	-	-	-	-
As at 31 March 2014	17,357	16,722	44,469	78,548
Depreciation				
As at 1 April 2013	11,426	9,418	-	20,844
Charge for the year	2,047	3,344	9,714	15,105
Disposals	-	-	-	-
As at 31 March 2014	13,473	12,762	9,714	35,949
Net Book Value at 31 March 2014	3,884	3,960	34,755	42,599
Net Book Value at 31 March 2013	419	6,278	-	6,697

9. FIXED ASSET INVESTMENTS

	£
Valuation at 1 April 2013	4,135,496
Additions	558,916
Disposals	(893,737)
Revaluations	123,729
At 31 March 2014	3,924,404

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

10. STOCK

	2014	2013
	£	£
Stock for resale	<u>3,031</u>	<u>3,572</u>

11. DEBTORS

	2014	2013
	£	£
Legacies	41,000	-
Other debtors	551,307	30,842
Gift Aid	18,832	12,999
	<u>611,139</u>	<u>43,841</u>

12. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR

	2014	2013
	£	£
Trade creditors	455,861	490,520
Accruals	48,980	14,798
Other creditors	11,184	7,578
	<u>516,025</u>	<u>512,896</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

13. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	<u>Land and buildings</u>	
	2014	2013
	£	£
Expiring:		
In more than five years	22,500	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

14. 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 2013 £	New designations £	Utilised/ released £	Balance 31 March 2014 £
Protection of Services Fund	1,316,000	-	359,000	957,000
	<hr/> 1,316,000	<hr/> -	<hr/> 359,000	<hr/> 957,000

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

15. RESTRICTED FUNDS

	Balance at 1 April 2013 £	Incoming Resources £	Resources Expended £	Balance at 31 March 2014 £
Children's Bereavement Fund	14,212		(108)	14,104
Staff Fund	911			911
PGSC Fund	-	685	(685)	-
Tisbury Lodge Fund	1,645			1,645
Training and Development for nursing staff at the hospice	411,866		(88,794)	323,072
NHS England grant	-	528,752	(87,342)	441,410
	428,634	529,437	(176,929)	781,142

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.

NHS England Grant

Following a successful bid to NHS England to contribute to the capital cost of a project, 'Building on the service – improvements to the impatient unit at Salisbury Hospice' a grant of £528,752 was provided in the 2013/2014 financial year. The improvement works at Salisbury Hospice were undertaken between February 2014 and June 2014. The total expenditure during 2013/2014 financial year was £87,342, with the balance of the grant being carried forward to the 2014/2015 financial year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Designated Funds £	Restricted Funds £	Total £
Fixed assets	2,670,271	957,000	339,732	3,967,003
Net current assets	40,102	-	441,410	481,512
	<u>2,710,373</u>	<u>957,000</u>	<u>781,142</u>	<u>4,448,515</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2014**

17. RELATED PARTY TRANSACTIONS

In the financial year ending March 2014 the total sum given to Salisbury NHS Foundation Trust under the contract was £1,104,000 (2012/13: £1,903,000) which includes Wiltshire Primary Care Trust's contribution of £685,000 (2012/13: £792,000) and £359,000 deficit funding provided by the charity (2012/13: £366,000). Salisbury Hospicecare Trust Limited separately provided funding for services and equipment to Salisbury NHS Foundation Trust outside of the contract which amounted to £172,659 (2012/13: £94,833).

At the balance sheet date Salisbury Hospicecare Trust Limited owed Salisbury NHS Foundation Trust £356,331 (2012/13: £477,421).

During the year there were transactions with Trethowans Solicitors, where Andrew Mercer is a partner. The total amount invoiced in the year was £10,287 (2012/13: £4,111). At the balance sheet date Salisbury Hospicecare Trust Limited owed Trethowans Solicitors nil (2012/13: £210).



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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).