

Company registration number: 01509313
Charity registration number: 509759

Nottinghamshire Hospice Limited

(A company limited by guarantee)

Annual Report and Financial Statements

Year Ended 31 March 2017

**Page Kirk LLP
Chartered Accountants and Statutory Auditors
Sherwood House
7 Gregory Boulevard
Nottingham
NG7 8LB**

NOTTINGHAMSHIRE HOSPICE LIMITED

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NOTTINGHAMSHIRE HOSPICE LIMITED
REFERENCE AND ADMINISTRATIVE DETAILS

Charity name	Nottinghamshire Hospice Limited
Charity registration number	509759
Company registration number	01509313
Principal office	Femleigh 384 Woodborough Road Nottingham NG3 4JF
Registered office	Femleigh 384 Woodborough Road Nottingham NG3 4JF
Trustees	Dr D Black Mr B Brady Mrs J Brunner Mrs C Claydon-Butler Mr A Dowling Mrs T Mudge Mr C Peacock Mr D Saunders
Secretary	Mrs A Booth
Solicitor	Flint Bishop Solicitors St. Michael's Court St. Michael's Lane Derby DE1 3HQ
Bankers	Barclays Bank Plc PO Box 18 High Street Nottingham NG1 6FF
Auditor	Page Kirk LLP Sherwood House 7 Gregory Boulevard Nottingham NG7 6LB

NOTTINGHAMSHIRE HOSPICE LIMITED

TRUSTEES' REPORT

Chairman's Introduction

As Chair of Trustees for the past three years I have been extremely proud of the level of care and support we have been able to provide to our patients with life limiting illnesses, to their carers and families and to those who have been bereaved.

There is however a changing environment in which we operate. The population is ageing and those with life limiting conditions often present with more complex care needs. The operating framework for charities is also evolving, with tighter regulation of fundraising and stricter rules on data management. At the same time, government funding for some of our activities is under threat and therefore the level of income we have to generate via fundraising has increased. All of these factors provide us with challenges in how we define, deliver and secure funding for our activities.

As a Board we have therefore spent time this year reviewing our future direction and building plans to secure the income we require to sustain our activities and deliver on our strategic objectives. This work will continue into the coming year and we aim to continue to build our donor network and our income generating activity to enable us to implement our plans.

Our Director of Care, Donna Payne, has left us after nearly three years to allow her to spend time with her family and new grandchild and we were delighted to be able to appoint Jo Polkey as Clinical Services Manager, to replace her. Donna has done a great deal to put in place excellent policies and procedures for the delivery of care and we were pleased to receive a "Good" overall rating from the CQC inspection that took place in November 2016.

Our staff, volunteers and supporters remain our most valuable asset and we have successfully raised nearly £3 million this year. This has enabled us to offer support to 2,214 patients and their families this year. The CQC "Good" rating was a testament to the standards of care we are able to deliver.

I am truly grateful to everyone involved in Nottinghamshire Hospice either in a voluntary capacity or as part of the team delivering our services and on behalf of the Board of Trustees I would like to thank everyone for their ongoing support.

Dave Saunders

Chairman of Trustees

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TRUSTEES' REPORT

Chief Executive's Introduction

As Chief Executive of Nottinghamshire Hospice it is a great privilege to work alongside an excellent staff and committed volunteer workforce. Their care and compassion is present in every action they take whether working in a Hospice shop, in Day Therapy or supporting the fundraising team at an event, we are bound by a common goal to add life to the days of those we care for.

Each year we reflect on the development and excellence of the services we provide as well as the challenges ourselves and many other charities face. As a local charity we rely on the kindness and generosity of our local communities to enable care to be delivered. Each year we aim to improve the efficiency, effectiveness and transparency of all we do; and support our Board of Trustees by providing the right information at the right time to enable informed decision making.

During the year 2016/17 we were able to extend our services to meet the needs of a greater number of people in Mid Nottinghamshire, review and extend our bereavement support and revitalise our approach to fundraising. Our retail division grew in terms of income and the level of donations received consolidating our position as a leader on the High Street. Most pleasing has been the increase in the number and level of engagement of our Ambassador group, who as leaders in their communities have agreed to bring their support to the Hospice; for which we are extremely grateful.

The year ahead is challenging as we predict further reductions in resources within the NHS for palliative and end of life care. This will increase referrals for Hospice Care, which will further require us to focus our support on the last weeks and days of life rather than months. The building blocks our fundraising team have put in place in local communities, corporates and individuals are already showing signs of underpinning steady growth and higher levels of engagement, which is pleasing.

I'd like to thank, families and patients for allowing us to be alongside them at a challenging time, volunteers for their commitment and generous gift of time; and our staff and Trustees for their commitment to ensuring Nottinghamshire Hospice is able to add life to the days for so many people across local communities.

Rowena Naylor-Morrell

Chief Executive Officer

NOTTINGHAMSHIRE HOSPICE LIMITED

TRUSTEES' REPORT

Report of the Board of Trustees

OBJECTIVES AND ACTIVITIES

Our Mission

Our mission is to provide high quality palliative and end of life care services to all patients and families, providing palliative care education and research in collaboration with other care providers.

Our Vision

To be a leader in palliative and end of life care; meeting the physical, psychological, emotional and spiritual needs of our patients, their families and carers and to be a leader in palliative care education and research within the wider care sector

Our Objectives

Our charitable purpose is to promote the relief, care and treatment of the chronically ill, especially of the dying in the palliative care stage of their illness and the support and care of the families and carers of the bereaved. Specifically we aim to do this for people residing within a 25 mile radius of the Hospice at 384 Woodborough Road, Nottingham NG3 4JF

In order to achieve the above we have the following objectives.

To provide appropriate and high quality services through:

- A palliative Care Hospice Day Therapy Unit
- End of life Hospice at Home services run by a qualified clinical team working with community members of Nottinghamshire in their own homes during the latter stage of their illness
- Providing emotional and psychological support, advice, guidance and information to carers and those who have been bereaved. In addition, offering complementary therapies, counselling and group support to build resilience and coping strategies enabling patient care to be enhanced

Public benefit

In setting our objectives and planning our activities the Trustees have given careful consideration to the Charity Commission's guidance on the public benefit requirements under the Charities Act 2011.

We provide public benefit through the operation of a Hospice and Hospice at Home services for adults with end of life palliative care needs and through the provision of family, carer and bereavement support.

The strategies employed to achieve our aims and objectives are divided into the following areas:

- Clinical services
- Finance
- Governance (Clinical and Corporate)
- Corporate partnerships
- Income generation and fundraising
- Retail operations
- Human resources

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TRUSTEES' REPORT

- Marketing and communications
- Health and safety

Our strategy will aim to:

- Widen access to our services by providing flexible, person centred support for patients and carers that are responsive to a patient's changing needs and to ensure patients are supported earlier in their end of life journey.
- Ensure long term sustainability of our services by developing existing and new sources of funding.
- Identify opportunities for partnering with local businesses to provide medium and longer term support for our activities.
- Identify suitable locations to expand our retail operation profitably and allow us to generate more income as well as increasing awareness of the hospice across more areas within our community.
- Increase partnerships and collaboration with other service providers to better meet the needs of patients within the community and ensure we are part of the choice available for patients at end of life.
- Increase the number of patients achieving their preferred place of death.
- Continue to develop the skills of our teams so that we build an effective, confident workforce with the right competences to deliver person-centred care and support.
- Develop our governance framework to meet the requirements of the latest guidance from the Charities Commission.

Criteria for measuring success

The Trustees' criteria for measuring success are that we are able to develop our services to reach more of those who could benefit from them; that we are able to deliver services our patients need and that we control our costs and achieve a level of income that enable us to ensure sustainability for the future of the Charity.

ACHIEVEMENTS AND PERFORMANCE REVIEW

Overview of Operations

This year our focus has been on increasing collaboration and partnership with others across the palliative and end of life family, widening access to our services and consolidating early growth in income generation in both fundraising and retail. We have increased the level of support we offer across Mid Nottinghamshire in partnership with Clinical Commissioning Groups by 25%. This has been achieved through more effective care co-ordination and an increased level of trust in the service by those referring into the service. As a member of the East Midlands Hospice Group we continue to work with other hospices to develop understanding of how to meet the needs of patients across the East Midlands.

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TRUSTEES' REPORT

Through mapping our services we understand that a Hospice at Home nurse is present at time of death on one in four occasions. We aim to increase this number to three over the coming year. The changes that have been made to the system of allocating nurses to patients will support this improvement together with an increase in the number of patients we care for. Our mapping has also told us that the split between patients with long term conditions and those with cancer has now reached 50%. This is a significant increase in the number of people we support with a non-cancer diagnosis who are often overlooked by traditional services.

We have invested in growing our care workforce, which includes nurses and healthcare assistants, and have increased the level of training we offer to ensure they are well equipped to provide care in the community. All relevant staff members have been successful in revalidating their registration, and the improvement in support to health care assistants through regular group and individual supervision, has increased levels of retention.

Due to restricted resources our progress in understanding the care needs of those with dementia or young people has been limited, and will be continued throughout 2017/18 together with our commitment to engage new communities such as the LGBT and BAME community. These communities are present within those we serve but we recognise our need to increase our understanding and flexibility of service in order for them to benefit.

Every year the Hospice is dependent on achieving higher levels of income; and in 2016/17 we achieved income generation growth in all areas of the organisation. In retail we continued the success of previous approaches such as maintaining a clearing shop as well as new methods such as introducing a greater level of stock rotation; and our continued investment in community relationships has seen a steady growth in the number of people taking part in challenges, and developing their own events, on behalf of the Hospice.

Patients we have supported

We have supported 2,214 patients, providing 8,088 sessions of care; and we have provided support to 541 bereaved families and loved ones. We provide a varied programme of holistic therapies, therapeutic activities and support in pain and medication management, as well as help with breathlessness and mobility. The unit uses a care model based on rehabilitative palliative care which focuses on patients' abilities or ambitions rather than their limitations. The team aim to support patients to be independent and get maximum benefit from every day.

Through our Hospice at Home service we have provided 5,130 sessions of nursing led care in the home, enabling those who wish to remain at home during their final days to do so and ensuring that more than 88% of our patients are able to achieve their preferred place of death – their own home.

Hospice staff continue to develop their own skills and knowledge in caring for patients at the end of life and to contribute to the wider palliative care community in Nottinghamshire.

Fundraising and Retail Activity

We continue operating our Retail shops as part of our wider fundraising activities and marketing of our services to the population of Nottinghamshire. During the year one shop has closed, as a review indicated that performance was not sufficiently cash generative to warrant premises lease renewal. We now operate ten retail outlets in addition to the small shop within the hospice building. Plans are in place to expand our unit in Burton Joyce to enable us to sell larger items of furniture and generate further income. Operational improvements have been put in place and the retail team have contributed £148,000 income surplus after costs in the year. This represents a slight shortfall against budget but a significant improvement on the previous year, despite the closure of one of the shops during the year.

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Fundraising has continued to be a challenge for us and we have restructured the team under Jenny Wing, our Head of fundraising to enable us to focus on creating better links within the community and also to identify and gain support from corporate partners. The team work with volunteer fundraisers, donors, companies and grant making bodies to secure the ongoing funds required to keep the hospice in operation year after year. In the last year we raised £582,000 via fundraising, including our lottery. The total amount raised is broadly in line with last year but does represent a shortfall of £128,000 versus our ambitious target. The shortfall was only in three areas; Grants and Trusts, Corporate Giving and Legacies. Our future strategy and the restructuring undertaken of the team will enable us to address the first two of these and we continue to work to raise awareness to improve legacy performance in future. We now also have the support of a group of Ambassadors, key individuals from within Nottinghamshire, who will help to promote the Hospice cause more widely and who have set themselves a challenge to raise £75,000 for us in the coming year.

Investment performance

Investments have performed well during 2017 and show a surplus of £50,844. The investments are managed by Brewin Dolphin on behalf of the Hospice and they report to the Trustees quarterly with any recommendations for improvement. Investments are reviewed annually during a meeting with Brewin Dolphin who attend the full Trustee Board.

Total investment portfolio at year end stands at £422,518. Investments are held in a managed portfolio with the objective of generating Income Return, investments being made with a risk approach of "Cautious with risk". Total return for the year was in line with the linked benchmark and net of withdrawals made during the year was in line with our objectives in the current economic conditions.

FINANCIAL PERFORMANCE

Overview of financial operations

The Trustees monitor the financial performance of the Charity on a regular basis. This includes a review of cash generation and reserve levels aided by annual forecasts which include detailed profit and loss, balance sheet and cashflow forecasts. Monthly management accounts, which are narrated by the Treasurer at each Finance and Audit sub group as well as all Board meetings, are prepared and applied to the forecasts giving a rolling position for the charity. In addition Income and expenditure is reviewed throughout the year to ensure that ongoing forecasts still remain valid. The Trustees therefore constantly monitor the going concern position of the charity and are satisfied that the 'going concern' principle applies.

They ensure that all financial resources are focused on increasing and sustaining care services, as well as ensuring a robust infrastructure is in place to support front line staff in caring for patients. Donations, income from shops and other charitable sources go directly towards patient care, ensuring everybody across Nottinghamshire will receive compassionate, community care when they most need it.

During 2016/17 the Hospice continued to use the most valued legacy from Sir Joseph and Lady Evelyn Pope, to support staff costs in providing patient care. In the accounts this reflects a negative position as the benefit of the gift was shown in 2011/12. With this in mind, the Hospice ended the year in a positive position which will support delivery in 2017/18.

Income, Expenditure and year end Funds

Total Income for the year is £2,968,472 compared to £2,707,283 in 2015/16. The variance in Income relates to an increase in retail income and fundraising events.

Total expenditure for the year is £3,220,581 compared to £3,220,691 in 2015/16. The variance in expenditure relates to a reduction in employment costs within retail.

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Total charity funds for the year are £2,022,809 compared to £2,224,174 in 2015/16 and represent the net movement in funds as shown on note 20 of the financial statements.

Where did the money come from?

- Shop Income: 35%
- Commercially Contracted income: 45%
- Donations: 1%
- Legacies: 4%
- Grants: 5%
- Fundraising events: 6%

How was the money spent?

- Bereavement and Counselling: 1%
- Day Therapy: 23%
- Hospice at Home: 32%
- Support Services: 6%
- Non Clinical Cost: 8%
- Retail: 30%

KEY RISKS AND UNCERTAINTIES

The Trustees have a Risk Management Strategy which comprises:

- An Annual review of all the risks the charity may face
- The establishment of systems and procedures to mitigate those risks
- A twice yearly review of major risks and mitigating actions
- The implementation of procedures designed to minimise any potential impact on the charity should any of the risks materialise

A risk register has been prepared and a risk score attached to each of the risks identified, representing a combination of potential impact on the charity and likelihood of the risk materialising. All risks with a weighted score of twelve or more are deemed major risks and are monitored accordingly.

The key risks identified and our plans to address them are as follows:

- Fundraising has a significant shortfall versus the levels required to support service delivery. Mitigation: We have developed a fundraising strategy to secure more sustainable income streams and restructured the team to deliver this. Income for 2017-18 is currently ahead of budget and robust plans are in place for future income generation.
- Disaster recovery plan not sufficiently robust. Mitigation: IT backup and secure storage in fireproof location; hard copy information held by Director on call off site; arrangements in place with local care provider to enable service delivery in the event we cannot.

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PLANS FOR THE FUTURE

During 2017/18 we will continue to implement our strategic plan 'Postcards from the Future' and build on the success of 2016/17.

Widen access to Nottinghamshire Hospice Services

- We will increase the number of carers supported by 25%. To achieve this we will deliver support in two new locations and hold more Carers Café's
- We will increase the number of people receiving pre or post bereavement support by 10%. To achieve this we will recruit and train 25 additional emotional support workers
- We will consult with communities and healthcare professionals to support the transition of our Day Therapy Services to Living Well Support

Improve the impact and co-ordination of care for people requiring palliative and end of life care

- We will map the impact of services to better understand patient and carer needs to underpin the improvement of care co-ordination
- We will deliver a series of twelve information sessions to referring agencies across the City and County to increase levels of referral to Day Therapy/Living Well service by 10%

Build on good practice in delivering palliative and end of life care, improving and sustaining the quality of care

- We will develop five locality hubs to improve the level of supervision provided to community teams of Hospice at Home nurses and palliative healthcare assistants
- By November 2017 we will implement a policy app, available on mobile phones, tablets, laptops and desktops to ensure staff and volunteers have access to policy and procedure information where-ever they are. The effectiveness of the app will be reviewed by gathering and reviewing feedback from users

Ensure the sustainability of our services by maximising all opportunities for income generation

- We will increase our portfolio of retail units by opening 1 further outlet; this will increase retail income and Nottinghamshire Hospices' profile on the high-street
- We will increase the capacity of the fundraising team by recruiting a Fundraising Assistant able to support community and corporate fundraising
- We will partner with relevant providers to tender for end of life services, which will achieve our ambition to grow Hospice at Home delivery by 5%
- We will consolidate growth in our Hospice at Home service provided in Mid Nottinghamshire by developing a fundraising plan to engage local communities, to support the delivery of service in their community
- We will increase support from local civic representatives by developing a newsletter promoting our work in their local community and raising awareness

Increase the impact of and relationships with our local communities and stakeholders in Nottingham and Nottinghamshire

- We will recruit an additional four Trustees from our local communities who will be able to ensure our services are always relevant to local needs

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TRUSTEES' REPORT

- We will consolidate and grow the number and level of engagement of Ambassadors, ensuring that they are able to represent the Hospice to new communities

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nottinghamshire Hospice is a Company Limited by Guarantee governed by its Memorandum and Articles of Association incorporated on 25 July 1980, amended to allow for current governance arrangements on 20 July 2004 and further updated and adopted on 18 March 2008 and again on 4 February 2014. It is registered as a Charity with the Charity Commission.

Charity Council and Management Structure

As set out in the Articles of Association, the Charity is governed by a Council, consisting of between five and fifteen members and currently comprises eight members. The Chairman of the Council is nominated by the elected Trustees of the Council. Trustees have the power to co-opt other members as they feel appropriate. Co-opted members serve for a time limited period.

Trustees are elected on a retiring rotational system as per the Memorandum and Articles of Association. Nominations can be received from any person but must be proposed and meet the criteria as detailed on the Notice for AGM which is circulated in an open and transparent manner through the Nottinghamshire Hospice website.

In order to support newly elected Trustees, each will receive a comprehensive induction pack, the opportunity to buddy with an existing Trustee, offers to attend courses held by Hospice UK and other relevant organisations, an invite to an induction day where they will meet with the senior management team and exposure to sub group meetings prior to joining them. All Trustees are also offered the opportunity of ongoing development which includes attending charity governance courses run by organisations such as Civil Society Media.

The Council of Trustees meet at least six times per year, which is more than the quarterly intervals required by the charity's governing documents. In addition to full Council meetings the Trustees are also involved in relevant sub groups, established to check that procedures are in place to provide assurance that the Charity complies with best practice and all legal and statutory requirements placed upon it as relevant. These sub groups are the Clinical and Quality sub-group and the Finance and Audit sub group. In addition, there was an Income Generation Group which supported the Fundraising and Retail teams in their income generation activities. During 2017 this will be incorporated into a Strategy and Corporate Governance group as part of improvements to our charity governance.

The Council has delegated within agreed limits the day to day running of the Hospice to the Chief Executive Officer, Rowena Naylor Morrell, and her senior management team. The Management team comprises The CEO, a Director of Care, a Clinical Services Manager, a Fundraising Development Manager, a HR Manager, a Finance Manager, a Retail Manager and a Volunteer Services Manager.

The Trustees lead the strategic direction of the Charity and act as an oversight board to the remunerated senior management team who manage the operational aspects of the Charity on a day to day basis.

None of the Trustees receives remuneration or other benefits from their work with the Charity. Any personal interest between a trustee or senior manager within the Charity must be disclosed to the full Council of the Charity.

The Trustees give their time freely and no remuneration is paid. The remuneration of the CEO is set annually by the Council of Trustees. The remuneration of the senior management team is reviewed annually by the CEO as part of the annual award agreed by the Council.

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Volunteers

In addition to the 133 staff members employed directly by the Hospice, we rely enormously on the support of volunteers in what we do. We currently have a total of 406 volunteers registered with us, working on a part time basis.

Of these; 84 work directly with patients, supporting our clinical staff in delivery of activities within our Day Therapy Unit; as part of the team transporting patients to and from their homes; and helping to provide complementary therapy, as well as advice through our bereavement and counselling services. 283 volunteers work in our shops, preparing and selling donated and new goods in support of our fundraising. A further 35 volunteers support other general fundraising and administration activity and four volunteers help to keep our gardens well maintained and a delightful place for patients to enjoy.

TRUSTEES' RESPONSIBILITIES

The Trustees, who are also directors of Nottinghamshire Hospice Ltd, for the purposes of company law are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of Charitable Company and of the incoming resources and application of resources, including income and expenditure for the year. In preparing these statements the Trustees are required to:

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Charitable Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Charitable Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditor is unaware; and
- The Trustees have taken all steps 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.

REFERENCE AND ADMINISTRATION

Key Members of the Organisation

Founder and Honorary President:

Bernard Brady

Honorary Patron:

Tim Richmond OBE TD DL

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Trustees:	Dave Saunders (Chairman) Joanne Brunner (Vice Chair and Chair of IG Group) Colin Peacock (Treasurer and Chair of F&A Group) Dr Doug Black (Chair of Q&S Group) Chris Claydon-Butler (Member of F&A and IG Group) Andy Dowding (Member of F&A Group) Tracy Madge (Member of F&A Group) Jackie Swann (Member of Q&S Group)
Chief Executive Officer:	Rowena Naylor-Morrell
Director of Care:	Donna Payne
Finance Manager and Company Secretary:	Alicia Booth
Area Retail Manager:	Penny Cooper
Clinical Services Manager:	Joanne Polkey
Volunteer Development Manager:	Sarah Rice
Human Resources Manager:	Donna Roberts
Fundraising Development Manager:	Jenny Wing
Friends and Supporters Ambassadors	Dr Jaswant Bilkhu DL Sue Cooper Peter Emerson Tim Farr Dame Elizabeth Fradd Judy Naake Veronica Pickering DL Ann Rowen Col David Sneath TD DL Pippa Suthers Nicky Weston DL
Charity Details	
Registered Name:	The Nottinghamshire Hospice Limited

NOTTINGHAMSHIRE HOSPICE LIMITED
TRUSTEES' REPORT

Registered Office:	Femleigh 384 Woodborough Road Nottingham NG3 4JF
Charity Number:	509759
Company Number:	01509313
Auditors:	Page Kirk LLP Sherwood House 7 Gregory Boulevard Nottingham NG7 6LB
Principal Bankers:	Barclays Bank PLC Leicester LE87 2BB
Principal Solicitors:	Flint Bishop LLP St Michael's Court St Michael's Lane Derby DE1 3HQ
Accountants:	HSKS Greenhalgh 3rd Floor Butt Dyke House 33 Park Row Nottingham NG1 6EE
Principal Investment Brokers:	Brewin Dolphin 1st Floor Waterfront House Waterfront Plaza 35 Station Street Nottingham NG2 3DQ

Small company provisions

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Auditor

Page Kirk LLP have expressed their willingness to continue as auditors for the next financial year.

Approved by the Board on 7 November 2017 and signed on its behalf by:

.....
Mr D Saunders
Trustee

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF NOTTINGHAMSHIRE HOSPICE LIMITED

We have audited the financial statements of Nottinghamshire Hospice Limited for the year ended 31 March 2017, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash flow and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)).

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 its 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 set out on page 1, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 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 2017 and of its results 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 matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITORS' REPORT TO THE TRUSTEES OF NOTTINGHAMSHIRE HOSPICE LIMITED

..... *continued*

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

Matters on which we are required to report by exception

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

- the information given in the Trustees' Annual Report is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

.....
John Wallis FCA (Senior Statutory Auditor)
For and on behalf of Page Kirk LLP, Statutory Auditor

Sherwood House
7 Gregory Boulevard
Nottingham
NG7 6LB

7 November 2017

NOTTINGHAMSHIRE HOSPICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES) YEAR ENDED 31 MARCH 2017

	Unrestricted funds	Restricted funds	Total Funds 2017	Total Funds 2016	
Note	£	£	£	£	
Income from:					
Donations and legacies	3	250,968	46,965	297,933	298,398
Charitable activities	4	1,343,939	-	1,343,939	1,121,493
Other trading activities	5	1,308,786	-	1,308,786	1,265,078
Investments		17,814	-	17,814	22,318
Total		<u>2,921,507</u>	<u>46,965</u>	<u>2,968,472</u>	<u>2,707,283</u>
Expenditure on:					
Raising funds		1,115,089	-	1,115,089	1,143,457
Charitable activities	8	1,963,338	134,304	2,097,642	2,069,971
Other	9	7,870	-	7,870	7,283
Total		<u>3,086,277</u>	<u>134,304</u>	<u>3,220,581</u>	<u>3,220,691</u>
Net gains/(losses) on investments		50,844	-	50,844	(17,536)
Net expenditure		(164,770)	(87,339)	(252,109)	(513,408)
Net movements in funds		(113,926)	(87,339)	(201,265)	(530,944)
Reconciliation of funds					
Total funds brought forward		1,013,294	1,210,880	2,224,174	2,755,118
Total funds carried forward		<u>899,368</u>	<u>1,123,541</u>	<u>2,022,909</u>	<u>2,224,174</u>

The notes on pages 20 to 35 form an integral part of these financial statements.

NOTTINGHAMSHIRE HOSPICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES) YEAR ENDED 31 MARCH 2017

..... continued

	Note	Unrestricted funds £	Restricted funds £	Total Funds 2016 £
Income from				
Donations and legacies	3	207,019	91,379	298,398
Charitable activities	4	1,121,493	-	1,121,493
Other trading activities	5	1,265,076	-	1,265,076
Investments		22,316	-	22,316
Total		<u>2,815,904</u>	<u>91,379</u>	<u>2,707,283</u>
Expenditure on				
Raising funds		1,140,077	3,380	1,143,457
Charitable activities	8	1,631,839	438,132	2,069,971
Other	9	7,263	-	7,263
Total		<u>2,779,179</u>	<u>441,512</u>	<u>3,220,691</u>
Net gains/(losses) on investments		(17,536)	-	(17,536)
Net expenditure		<u>(163,275)</u>	<u>(350,133)</u>	<u>(513,408)</u>
Net movements in funds		(180,811)	(350,133)	(530,944)
Reconciliation of funds				
Total funds brought forward		1,194,105	1,581,013	2,755,118
Total funds carried forward		<u>1,013,294</u>	<u>1,210,880</u>	<u>2,224,174</u>

The notes on pages 20 to 36 form an integral part of these financial statements.

**NOTTINGHAMSHIRE HOSPICE LIMITED (REGISTRATION NUMBER:
01509313)**

**BALANCE SHEET
31 MARCH 2017**

		2017		2016	
	Note	£	£	£	£
Fixed assets					
Tangible assets	12		1,492,109		1,595,864
Investments	13		422,518		500,359
			<u>1,914,627</u>		<u>2,096,223</u>
Current assets					
Stocks and work in progress		8,528		20,220	
Debtors	14	159,423		142,919	
Cash at bank and in hand		65,914		82,518	
		<u>233,865</u>		<u>245,655</u>	
Creditors: Amounts falling due within one year	15	<u>(125,583)</u>		<u>(117,704)</u>	
Net current assets			<u>108,282</u>		<u>127,951</u>
Net assets			<u>2,022,909</u>		<u>2,224,174</u>
The funds of the charity:					
Restricted funds			1,123,541		1,210,880
Unrestricted funds			899,368		1,013,294
Total charity funds			<u>2,022,909</u>		<u>2,224,174</u>

Approved by the Board on 7 November 2017 and signed on its behalf by:

.....
Mr C Peacock
Trustee

.....
Mr D Saunders
Trustee

The notes on pages 20 to 35 form an integral part of these financial statements.

NOTTINGHAMSHIRE HOSPICE LIMITED

CASH FLOW STATEMENT YEAR ENDED 31 MARCH 2017

	2017 £	2016 £
Cash flows from operating activities		
Net income/(expenditure) for the reporting period	(201,265)	(530,944)
Adjustments to cash flows from non-cash items:		
Depreciation and amortisation	138,457	144,452
(Gains)/loss on investments	(50,844)	17,536
Loss/(profit) on sale of fixed assets	-	(599)
Dividends, interest and rents from investments	(17,738)	(21,145)
(Increase)/decrease in stocks	11,692	8,165
(Increase)/decrease in debtors	(16,504)	(16,317)
Increase/(decrease) in creditors	7,879	(41,377)
Net cash provided by (used in) operating activities	<u>(128,321)</u>	<u>(440,229)</u>
Cash flows from investing activities		
Dividends, interest and rents from investments	17,738	21,145
Proceeds from the sale of property, plant and equipment	-	920
Purchase of property, plant and equipment	(34,702)	(28,661)
Proceeds from sale of investments	357,843	446,531
Purchase of investments	(229,158)	(325,886)
Net cash provided by (used in) investing activities	<u>111,719</u>	<u>114,049</u>
Change in cash and cash equivalents at 1 April	(16,602)	(328,179)
Change in cash and cash equivalents	82,516	408,695
Change in cash and cash equivalents at 31 March	<u>65,914</u>	<u>82,516</u>
Cash in hand	65,914	82,516
Total cash and cash equivalents	<u>65,914</u>	<u>82,516</u>

The notes on pages 20 to 35 form an integral part of these financial statements.

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

1 GENERAL INFORMATION

The charity is a company limited by guarantee and is incorporated in England and Wales.

The address of its registered office is:

Femleigh
384 Woodborough Road
Nottingham
NG3 4JF

These financial statements were authorised for issue by the Board of trustees on 7 November 2017.

2 ACCOUNTING POLICIES

Charity status

The charity is a company limited by guarantee and has no share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

This is the first year that the financial statements have been prepared in accordance with the Charities SORP (FRS 102) and FRS 102. There are no material transitional adjustments.

Nottinghamshire Hospice Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

Preparation of the accounts on the going concern basis

The trustees consider that there are no material uncertainties about the trust's ability to continue as a going concern. The most significant areas of operational uncertainty are:

Fundraising has a significant shortfall versus the levels required to support service delivery. Mitigation: We have developed a fundraising strategy to secure more sustainable income streams and restructured the team to deliver this. Income for 2017-18 is currently ahead of budget and robust plans are in place for future income generation.

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

- Disaster recovery plan not sufficiently robust. Mitigation: IT backup and secure storage in fireproof location; hard copy information held by Director on call off site; arrangements in place with local care provider to enable service delivery in the event we cannot.

Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. During the preparation of these financial statements there have been no significant or material judgements and estimates that require disclosure.

Fund accounting policy

Unrestricted income funds are general funds that are available for use at the trustees' discretion in furtherance of the objectives of the charity.

Restricted funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Designated funds are unrestricted funds set aside at the discretion of the trustees for specific purposes.

Further details of each fund are disclosed in note 20.

Income

Donations and legacies is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Other trading activity income relates to shop, lottery and fundraising income. It is recognised on a receivables basis.

Investment income is recognised on a receivable basis.

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure. All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

Costs of generating funds are the costs of trading for fundraising purposes.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Expenditure on other items include those incurred in the governance of the charity and its assets and are primarily associated with statutory requirements

Support costs

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

Irrecoverable VAT

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

Fixed assets

Fixed assets are initially recorded at cost.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Freehold interest in land & buildings	4% straight line
Short leasehold and other interests in land & buildings	Varying rates
Plant and machinery including motor vehicles	25% reducing balance
Fixtures, fittings and equipment	33.33% straight line or 15% reducing balance

Investments

Fixed asset investments are included at market value at the balance sheet date.

Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the statement of the financial activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the statement of financial activities based on the market value at the year end.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Operating leases

Rentals payable under operating leases are charged in the statement of financial activities on a straight line basis over the lease term.

Pensions

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

Financial Instruments

Classification

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

3 INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds £	Restricted funds £	Total Funds 2017 £	Total Funds 2016 £
Donations	46,048	-	46,048	36,787
Legacies	114,178	-	114,178	102,269
Grants	90,742	46,865	137,707	160,342
	<u>250,968</u>	<u>46,865</u>	<u>297,933</u>	<u>299,398</u>

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

4 INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total Funds 2017 £	Total Funds 2016 £
Provision of hospice services				
Payments from governments or public authorities in the normal course of trading	1,343,939	-	1,343,939	1,120,894
(Profit)/loss on sale of tangible fixed assets held for charity's own use	-	-	-	599
	<u>1,343,939</u>	<u>-</u>	<u>1,343,939</u>	<u>1,121,493</u>

5 INCOME FROM OTHER TRADING ACTIVITIES

	Unrestricted funds £	Restricted funds £	Total Funds 2017 £	Total Funds 2016 £
Shop income	1,024,419	-	1,024,419	1,003,011
Fundraising events	170,552	-	170,552	148,440
Lottery income	113,815	-	113,815	113,625
	<u>1,308,786</u>	<u>-</u>	<u>1,308,786</u>	<u>1,265,076</u>

6 INCOME FROM INVESTMENTS

	Unrestricted funds £	Restricted funds £	Total Funds 2017 £	Total Funds 2016 £
Income from UK listed investments	13,402	-	13,402	17,025
Income from non-UK listed investments	4,334	-	4,334	4,120
Bank interest receivable	78	-	78	1,171
	<u>17,814</u>	<u>-</u>	<u>17,814</u>	<u>22,316</u>

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

7 EXPENDITURE ON RAISING FUNDS

	Unrestricted funds £	Restricted funds £	Total Funds 2017 £	Total Funds 2016 £
Retail activities				
Cost of goods sold	28,698	-	28,698	30,806
Employment costs	497,069	-	497,069	533,999
Other direct costs	64,918	-	64,918	58,844
Establishment costs	187,895	-	187,895	197,223
Repairs and maintenance	9,481	-	9,481	11,569
Depreciation of tangible fixed assets	18,320	-	18,320	22,304
Employment costs	105	-	105	25
Office expenses	9,497	-	9,497	9,022
Advertising and promotion	-	-	-	54
Legal and professional costs	4,306	-	4,306	6,597
Bank charges	7,485	-	7,485	7,814
	<u>827,754</u>	-	<u>827,754</u>	<u>878,257</u>
Fundraising events				
Cost of goods sold	63,538	-	63,538	24,147
Employment costs	153,958	-	153,958	141,160
Other direct costs	4,215	-	4,215	3,505
Office expenses	252	-	252	371
Advertising and promotion	2,585	-	2,585	22,226
Bank charges	-	-	-	599
	<u>224,548</u>	-	<u>224,548</u>	<u>192,008</u>
Lottery				
Cost of goods sold	44,565	-	44,565	43,738
Employment costs	7,790	-	7,790	14,811
Other direct costs	521	-	521	2,286
Advertising and promotion	4,124	-	4,124	6,342
Bank charges	981	-	981	368
	<u>57,981</u>	-	<u>57,981</u>	<u>67,545</u>
Investment management costs				
Administration of investments	4,786	-	4,786	5,647
	<u>1,115,069</u>	-	<u>1,115,069</u>	<u>1,143,457</u>

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

8 EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly £	Support costs allocated £	2017 £	2016 £
Provision of hospice services	2,097,642	-	2,097,642	2,069,971

9 OTHER EXPENDITURE

	Unrestricted funds £	Restricted funds £	Total Funds 2017 £	Total Funds 2016 £
Support costs allocated	7,870	-	7,870	7,263

10 AUDIT REMUNERATION

	2017 £	2016 £
Audit of the financial statements	6,000	5,760
Other fees to auditors		
Non-audit work: Accounts preparation	1,630	740
Non-audit work: Tax compliance services	240	-
	1,870	740

11 EMPLOYEES' REMUNERATION

The average number of persons employed by the charity (including trustees) during the year, analysed by category, was as follows:

	2017 No.	2016 No.
Management & support staff	23	23
Clinical services	73	78
Retail services	31	34
	127	135

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

The aggregate payroll costs of these persons were as follows:

	2017	2016
	£	£
Wages and salaries	1,919,405	2,105,889
Social security	120,769	135,997
Other pension costs	49,807	69,708
	<u>2,090,081</u>	<u>2,311,594</u>

Trustees' remuneration and expenses

No trustees received any remuneration or had expenses reimbursed during the year.

Senior employees

During the year, the number of senior employees who received emoluments, calculated on the basis of full time equivalents, falling within the following ranges was:

	2017 No.	2016 No.
£70,001 - £80,000	<u>1</u>	<u>1</u>

During the year, defined contribution pension contributions on behalf of these staff amounted to £1,398 (2016 - £1,398).

During the year, the number of staff who were accruing benefits under pension schemes was as follows:

	2017 No.	2016 No.
Money purchase	<u>1</u>	<u>1</u>
Redundancy costs		

During the year, the charity incurred redundancy costs amounting to £2,429 (2016 - £71,696).

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

12 TANGIBLE FIXED ASSETS

	Freehold interest in land and buildings £	Short leasehold and other interests in land and buildings £	Plant and machinery including motor vehicles £	Fixtures, fittings and equipment £	Total £
Cost or Valuation					
As at 1 April 2016	2,085,958	139,712	205,920	652,324	3,083,914
Additions	-	-	-	34,702	34,702
As at 31 March 2017	<u>2,085,958</u>	<u>139,712</u>	<u>205,920</u>	<u>687,026</u>	<u>3,118,616</u>
Depreciation					
As at 1 April 2016	724,375	120,055	157,411	486,209	1,488,050
Charge for the year	83,438	9,878	12,127	33,014	138,467
As at 31 March 2017	<u>807,813</u>	<u>129,933</u>	<u>169,538</u>	<u>519,223</u>	<u>1,626,507</u>
Net book value					
As at 31 March 2017	<u>1,278,145</u>	<u>9,779</u>	<u>36,382</u>	<u>167,803</u>	<u>1,492,109</u>
As at 31 March 2016	<u>1,361,583</u>	<u>19,657</u>	<u>48,509</u>	<u>166,115</u>	<u>1,595,864</u>

Freehold land and buildings

The gross book value of freehold land and buildings includes £2,085,958 (2016 - £2,085,958) of depreciable assets.

NOTTINGHAMSHIRE HOSPICE LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH 2017

13 INVESTMENTS HELD AS FIXED ASSETS

	Listed Investments £	Cash deposits £	Total £
Market value			
As at 1 April 2016	482,850	7,709	500,359
Revaluation	32,125	-	32,125
Additions	51,644	177,514	229,158
Disposals	(158,884)	(180,480)	(339,124)
As at 31 March 2017	<u>417,755</u>	<u>4,763</u>	<u>422,518</u>
Net book value			
As at 31 March 2017	<u>417,755</u>	<u>4,763</u>	<u>422,518</u>
As at 31 March 2016	<u>482,850</u>	<u>7,709</u>	<u>500,359</u>

Investment assets can be further analysed as follows:

	UK £	Overseas £
Listed investments	336,540	81,215
Cash deposits	4,763	-
	<u>341,303</u>	<u>81,215</u>

Listed investments

Investments having a net book value of £417,755 (2016 - £482,850) are listed on a recognised stock exchange and had a market value of £417,755 at the end of the year (2016 - £482,850).

14 DEBTORS

	2017 £	2016 £
Other debtors	12,159	6,520
Prepayments and accrued income	147,264	136,399
	<u>159,423</u>	<u>142,919</u>

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017	2016
	£	£
Taxation and social security	34,983	32,576
Other creditors	12,993	37,831
Accruals and deferred income	77,607	47,297
	<u>125,583</u>	<u>117,704</u>

16 OPERATING LEASE COMMITMENTS

As at 31 March 2017 the charity had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	Land and Buildings		Other	
	2017	2016	2017	2016
	£	£	£	£
Within one year	103,188	128,708	2,240	2,903
Within two and five years	176,125	236,438	159	2,399
Over five years	70,833	86,333	-	-
	<u>350,146</u>	<u>451,479</u>	<u>2,399</u>	<u>5,302</u>

17 PENSION SCHEME

Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the period represents contributions payable by the charity to the scheme and amounted to £49,907 (2016 - £69,708).

Contributions totalling £9,430 (2016 - £10,565) were payable to the scheme at the end of the period and are included in creditors.

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

18 FINANCIAL INSTRUMENTS

Categorisation of financial instruments

	2017 £	2016 £
Financial assets measured at amortised cost	78,074	89,036
Financial liabilities measured at amortised cost	90,600	85,128
Total interest income for financial assets held at amortised cost	<u>78</u>	<u>1,171</u>

19 RELATED PARTIES

Controlling entity

The charity is controlled by the trustees who are all directors of the company.

Related party transactions

Mr C Peacock, Treasurer and a Member of Council, is a partner at HSKS Greenhalgh. During the year, the charity incurred costs amounting to £20,029 (2016 - £22,420) for the provision of accountancy services by HSKS Greenhalgh with an amount of £1,541 (2016 - £1,541) outstanding at 31 March 2017 and included within accruals.

Key management personnel

	2017 £	2016 £
Total employee benefits paid to key management personnel	<u>104,651</u>	<u>103,053</u>

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

20 ANALYSIS OF FUNDS

	At 1 April 2016	Incoming resources	Resources expended	Other recognised gains / losses	At 31 March 2017
	£	£	£	£	£
Designated funds					
Fixed assets	428,732	12,148	(58,904)	-	381,976
The Lady Evelyn and Sir Joseph Pope Fund	439,893	-	(207,996)	-	231,897
	<u>868,625</u>	<u>12,148</u>	<u>(266,900)</u>	-	<u>613,873</u>
General funds					
General funds	144,669	2,909,359	(2,819,377)	50,844	285,495
Restricted funds					
Ambulance, computer equipment & day care unit refurbishment	1,645	-	(270)	-	1,375
Bathroom refurbishment	36,179	-	(1,855)	-	34,324
Department of Health	740,825	-	(36,735)	-	704,090
Dignity in care	170,591	-	(10,148)	-	160,443
Garden	1,087	700	(1,087)	-	700
Horizons of Hope - Phase III	107,532	-	(16,857)	-	90,675
Hospice at home & day care	5,000	34,750	(39,750)	-	-
Hospice complementary therapy	315	-	(47)	-	268
Hospice extension	1,802	-	(133)	-	1,669
Hydraulic bed	1,091	-	(164)	-	927
Kitchen	4,013	-	(602)	-	3,411
Lymphoedema clinic	636	-	(85)	-	551
Minibus appeal	48,719	-	(12,180)	-	36,539
Oxygen concentrator	149	-	(22)	-	127
Patient activities	941	-	(486)	-	455
Small equipment	28,259	9,206	(4,558)	-	32,907
The Lady Evelyn and Sir Joseph Pope Fund	58,098	-	(8,515)	-	49,583
Room with a View	4,000	2,309	(802)	-	5,507
	<u>1,210,860</u>	<u>46,965</u>	<u>(134,304)</u>	-	<u>1,123,521</u>
	<u>2,224,174</u>	<u>2,966,472</u>	<u>(3,220,581)</u>	<u>50,844</u>	<u>2,022,909</u>

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

ANALYSIS OF FUNDS

	At 1 April 2015	Incoming resources	Resources expended	Transfers	Other recognised gains / losses	At 31 March 2016
	£	£	£	£	£	£
Designated funds						
Fixed assets	461,056	4,686	(37,010)	-	-	428,732
The Lady Evelyn and Sir Joseph Pope Fund	500,000	-	(60,107)	-	-	439,893
	<u>961,056</u>	<u>4,686</u>	<u>(97,117)</u>	-	-	<u>868,625</u>
General funds						
General funds	233,049	2,611,218	(2,682,062)	-	(17,536)	144,669
Restricted funds						
Ambulance, computer equipment & day care unit refurbishment	2,124	-	(479)	-	-	1,645
Bathroom refurbishment	36,034	-	(1,855)	-	-	36,179
Department of Health	777,560	-	(36,735)	-	-	740,825
Dignity in care	180,737	-	(10,146)	-	-	170,591
Garden	-	1,887	(800)	-	-	1,087
Horizons of Hope - Phase III	111,645	-	(4,113)	-	-	107,532
Hospice at home & day care	-	68,000	(68,000)	5,000	-	5,000
Hospice complementary therapy	371	3,000	(3,056)	-	-	315
Hospice extension	1,935	-	(133)	-	-	1,802
Hydraulic bed	1,283	-	(192)	-	-	1,091
Kitchen	4,720	-	(707)	-	-	4,013
Lymphoedema clinic	748	-	(112)	-	-	636
Minibus appeal	64,959	-	(16,240)	-	-	48,719
Oxygen concentrator	197	-	(48)	-	-	149
Patient activities	4,300	-	(3,359)	-	-	941

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

Small equipment The Lady Evelyn and Sir Joseph Pope Fund	20,751	14,482	(1,984)	(5,000)	-	28,259
Wall of Light Room with a View	348,289	-	(290,173)	-	-	58,096
	3,380	-	(3,380)	-	-	-
	-	4,000	-	-	-	4,000
	1,581,013	91,379	(441,512)	-	-	1,210,880
	2,755,118	2,707,283	(3,220,691)	-	(17,536)	2,224,174

Designated funds

The Fixed asset fund represents unrestricted funds invested in the functional fixed assets of the charity.

Restricted funds

The following funds all represent capital projects from previous years. They consist of the tangible fixed assets acquired and are reduced by the periodic depreciation charge.

- Ambulance, computer equipment & day care unit refurbishment;
- Bathroom refurbishment;
- Department of Health (extension completed in 2011);
- Dignity in care (consisted of the construction of an extension to enhance the day care facilities);
- Hospice complementary therapy;
- Hospice extension;
- Hydraulic bed;
- Kitchen;
- Lymphoedema clinic;
- Minibus appeal;
- Oxygen concentrator;
- Small equipment.

The Garden fund consists of amounts received for expenditure on the garden and is represented by net current assets.

The Horizons of Hope - Phase III fund consists of amounts received for expenditure on the garden. A balance of £90,675 remains at the year end represented by tangible fixed assets following the expenditure of the remaining net current assets of £12,744 during the year.

The Hospice at home & day care fund consists of amounts received for the provision of these services and was fully expended during the year.

The Patient activities fund consists of income to fund activities at the hospice and is represented by net current assets.

The Wall of Light fund consists of amounts received for a memorial at the hospice and was fully expended during the year ended 31 March 2016.

The Room with a View fund consists of amounts received for expenditure on a room for the patients and is represented by net current assets and tangible assets.

NOTTINGHAMSHIRE HOSPICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH 2017

21 THE LADY EVELYN AND SIR JOSEPH POPE FUNDS

Nottinghamshire Hospice Limited acknowledges the generous grants given by Lady Evelyn and Sir Joseph Pope.

Restricted fund

The restricted fund shows expenditure for the year of £8,515 consists of depreciation with the remaining fund balance of £49,581 represented by tangible assets.

Designated fund

The designated fund shows expenditure for the year of £207,966 which relate to bursaries and patient activities. At the 31 March 2017, the balance of £231,897 is represented by net current assets.

22 NET ASSETS BY FUND

	Unrestricted funds	Restricted funds	Total Funds 2017	Total Funds 2016
	£	£	£	£
Tangible assets	381,979	1,110,130	1,492,109	1,595,864
Investments	422,518	-	422,518	500,359
Current assets	220,454	13,411	233,865	245,855
Creditors: Amounts falling due within one year	(125,583)	-	(125,583)	(117,704)
Net assets	<u>899,368</u>	<u>1,123,541</u>	<u>2,022,909</u>	<u>2,224,174</u>

	Unrestricted funds	Restricted funds	Total Funds 2016
	£	£	£
Tangible assets	428,732	1,167,132	1,595,864
Investments	500,359	-	500,359
Current assets	201,907	43,748	245,855
Creditors: Amounts falling due within one year	(117,704)	-	(117,704)
Net assets	<u>1,013,294</u>	<u>1,210,880</u>	<u>2,224,174</u>

NOTTINGHAMSHIRE HOSPICE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES BY FUND
YEAR ENDED 31 MARCH 2017

	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Total £	2016 Total £
Raising funds				
Retail activities				
Opening stock	18,942	-	18,942	28,004
Purchases	18,175	-	18,175	21,744
Closing stock	(8,419)	-	(8,419)	(18,942)
Staff pensions	13,553	-	13,553	19,450
Private health insurance	1,035	-	1,035	1,159
Wages and salaries	454,934	-	454,934	486,011
Staff NIC (Employers)	27,547	-	27,547	27,379
Motor & travel expenses	19,553	-	19,553	17,528
Sundry expenses	45,365	-	45,365	41,316
Light, heat and power	15,397	-	15,397	17,857
Rent	148,172	-	148,172	161,421
Insurance	15,280	-	15,280	13,528
Rates	9,046	-	9,046	4,417
Repairs and maintenance	9,461	-	9,461	11,569
Depreciation	18,320	-	18,320	22,304
Staff training	105	-	105	25
Telephone and fax	9,497	-	9,497	9,022
Advertising	-	-	-	54
Legal and professional fees	4,306	-	4,306	6,597
Bank charges	7,485	-	7,485	7,814
	<u>827,754</u>	<u>-</u>	<u>827,754</u>	<u>878,257</u>
Fundraising events				
Opening stock	1,278	-	1,278	381
Purchases	62,369	-	62,369	25,044
Closing stock	(109)	-	(109)	(1,278)
Staff pensions	1,678	-	1,678	3,944
Private health insurance	88	-	88	403
Wages and salaries	141,600	-	141,600	126,150
Staff NIC (Employers)	10,592	-	10,592	10,663
Motor & travel expenses	2,647	-	2,647	2,110
Sundry expenses	1,568	-	1,568	1,395
Telephone and fax	252	-	252	371
Advertising	2,585	-	2,585	22,226
Bank charges	-	-	-	599
	<u>224,548</u>	<u>-</u>	<u>224,548</u>	<u>192,008</u>

This page does not form part of the statutory financial statements.

NOTTINGHAMSHIRE HOSPICE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES BY FUND
YEAR ENDED 31 MARCH 2017

..... continued

	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Total £	2016 Total £
Lottery				
Purchases	44,565	-	44,565	43,738
Staff pensions	512	-	512	512
Wages and salaries	7,278	-	7,278	13,631
Staff NIC (Employers)	-	-	-	668
Sundry expenses	521	-	521	2,286
Advertising	4,124	-	4,124	6,342
Bank charges	981	-	981	368
	<u>57,981</u>	<u>-</u>	<u>57,981</u>	<u>67,545</u>
Investment management costs				
Investment management costs	4,786	-	4,786	-
Raising funds	<u>1,115,089</u>	<u>-</u>	<u>1,115,089</u>	<u>1,143,457</u>

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NOTTINGHAMSHIRE HOSPICE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES BY FUND
YEAR ENDED 31 MARCH 2017

..... continued

	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Total £	2016 Total £
Charitable activities				
Provision of hospice services				
Staff pensions	34,164	-	34,164	45,802
Private health insurance	1,690	-	1,690	2,138
Wages and salaries	1,275,843	39,750	1,315,593	1,460,097
Subcontract cost	210,274	-	210,274	-
Staff NIC (Employers)	82,630	-	82,630	97,287
Motor & travel expenses	52,215	486	52,701	61,980
Sundry expenses	69,278	14,328	83,606	72,267
Light, heat and power	16,990	-	16,990	18,591
Insurance	9,328	-	9,328	8,988
Rates	4,216	-	4,216	3,383
Repairs and maintenance	52,690	187	52,877	45,390
Depreciation	40,585	79,553	120,138	122,148
Staff training	10,481	-	10,481	7,172
Telephone and fax	10,040	-	10,040	12,513
Cleaning	4,496	-	4,496	5,335
Advertising	27,218	-	27,218	44,715
Legal and professional fees	61,029	-	61,029	42,026
Bank charges	171	-	171	139
(Profit)/loss on sale of tangible fixed assets held for charity's own use	-	-	-	(599)
	<u>1,963,338</u>	<u>134,304</u>	<u>2,097,642</u>	<u>2,069,372</u>
Charitable activities	<u>1,963,338</u>	<u>134,304</u>	<u>2,097,642</u>	<u>2,069,971</u>

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NOTTINGHAMSHIRE HOSPICE LIMITED
STATEMENT OF FINANCIAL ACTIVITIES BY FUND
YEAR ENDED 31 MARCH 2017

..... continued

	2017 Unrestricted Funds £	2017 Restricted Funds £	2017 Total £	2016 Total £
Other expenditure				
Auditors' remuneration - non audit work	1,870	-	1,870	740
The audit of the charity's annual accounts	6,000	-	6,000	5,760
Trustee Indemnity Insurance	-	-	-	763
	<u>7,870</u>	<u>-</u>	<u>7,870</u>	<u>7,263</u>
Other expenditure	<u>7,870</u>	<u>-</u>	<u>7,870</u>	<u>7,263</u>
Total expenditure	<u>3,088,277</u>	<u>134,304</u>	<u>3,220,581</u>	<u>3,220,691</u>

This page does not form part of the statutory financial statements.

Page Kik LLP
Chartered Accountants and Statutory Auditors
Sherwood House
7 Gregory Boulevard
Nottingham
NG7 6LB

Nottinghamshire Hospice Limited
(A company limited by guarantee)
Annual Report and Financial Statements
Year Ended 31 March 2016

Company registration number: 01509313
Charity registration number: 508769