

Registered Charity Number: 518905

Company Number: 02121179

Harrogate District Hospice Care

Saint Michael's Hospice

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

for the year ended 31 March 2016

**Harrogate District Hospice Care
Saint Michael's Hospice**

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Harrogate District Hospice Care Saint Michael's Hospice

Charlty Information

Trustees

Ms L Bers (Chair of Trustees)
Ms J Macquarie
Mr A Priestley
Mr M Robinson
Ms L Simmons
Mr C Tweedle
Ms K Wheeldon
Mr P Harrison
Mr J Bell
Dr C Hall
Dr S Hay

Company Secretary

Mr A Collins

Registered charity number

518905

Company number

02121179

Princlpal and registered office

Saint Michael's Hospice
Crimple House
Hornbeam Park Avenue
Harrogate
HG2 8QL

Auditors

Garbutt & Elliott Audit Limited
Arabesque House
Monks Cross Drive
York
YO32 9GW

Bankers

Lloyds TSB Commercial
2nd Floor, Skinnergate
Darlington
DL3 7ND

Solicitors

Raworths LLP
89 Station Parade
Harrogate
HG1 1HF

Investment advisors

Williams Investment Management
34 Victoria Avenue
Harrogate
HG1 5PR

Cardale Asset Management Ltd
2 Greengate
Cardale Park
Harrogate
HG3 1GY

Harrogate District Hospice Care Saint Michael's Hospice

Statement from Chair of Trustees for the year ended 31 March 2016

During the year in view, our working landscape has changed more significantly than I can ever remember. The NHS is working under extreme financial pressures facing more need with less money. The relentless move in our demographics with more people dying at older ages and with more complex needs has showed significant changes to our patterns of referrals. Significant changes in disease patterns and reduced residential care capacity have offered significant challenges and change to how we discharge patients from our care. All of this with the backdrop of some poor charity performances at national level tarnishing the reputation of every charity and leading to unwelcome, costly and often restrictive new regulations.

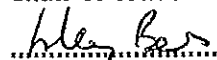
What has not changed is the absolute resolve of Saint Michael's to provide highly effective and vital services to every person living at the end of their lives. When the needs of the individual change then Saint Michael's responds. We have developed our ways of working on our constantly full Inpatient Unit. Our Day Therapy Service is evolving to offer more choice for more people. Our Volunteer Visitors Team has grown enormously now providing 53 volunteers supporting patients in their own homes. Our Motor Neurone Disease service has extended its reach to include other neurological diseases and our bereavement support services, for children, young people and adults has reached out to wider emotional wellbeing and mental health support in order to meet the needs of the whole person. In order to ensure we reach as many individuals as we can with our services we have been collaborating with many other organisations including other hospices, other charities, NHS bodies and the private sector.

In amongst all of this change we have also spent much time thinking about the future. At the beginning of 2017 we shall be revealing an exciting and ambitious strategy to ensure that we continue our year on year increase in the number of people we are reaching and supporting. As long as there is unmet need this will be both our aim and our responsibility.

Once again all of this has been happening during a challenging financial year. Our balance sheet remains strong as does our optimism for the future.

All that we achieve would not be possible without the remarkable generosity and commitment of our many volunteers, donors, support groups, event participants, charitable trusts, corporate organisations, schools and community groups. As ever thank you for sharing our passion for high quality end of life care.

Ms L Bers
Chair of Trustees



19th December 2016

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2016

The Board of Trustees presents its Report which includes the Strategic Report and the audited financial statements for the year ended 31 March 2016.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Articles of Association, and 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 the Republic of Ireland (FRS102) (effective 1 January 2015).

Administrative details

The name of the charity is Harrogate District Hospice Care which operates under the names of Saint Michael's Hospice, Saint Michael's and Just'B'. The charity was established as a company limited by guarantee and incorporated on 8 April 1987 (company number 02121179) and registered with the Charity Commission (registered number 518905) on 22 June 1987.

Members of the Board of Trustees

The Members of the Board of Trustees who served during the year were:

Ms L Bers	(Chair of Trustees)	Mr M Robinson	
Ms L Simmons		Ms K Wheeldon	
Mr C Tweedle		Mr J Bell	
Ms J Macquarrie		Mr P Harrison	
Mr A Priestley		Dr S Hay	(appointed 17/11/2015)
Dr C Hall	(appointed 29/10/2015)	Ms A Bloor	(resigned 12/11/2015)
Mr J Hain	(resigned 20/05/2015)	Mr W Sampson	(resigned 07/09/2015)

By agreement with the Board, meetings of Trustees were also attended by Tony Collins (Chief Executive).

The Trustees constitute Directors of the Charitable Company for the purposes of the Companies Act 2006. None of the Trustees had an interest in any of the charity's contracts either during or at the end of the financial year.

Structure, governance and management

Status of the Company

The governing document of the company is its Memorandum and Articles of Association. The company is a Registered Charity without share capital. The liability of members, in the event of winding up, is limited by guarantee in an amount not exceeding £1 per member.

New Trustees are recruited either from the body of company members, volunteers, or members of the public with an expressed interest in the hospice. Recruitment of Trustees is tailored to ensure that the Board has a broad spread of relevant skills and knowledge and is carried out following a full recruitment procedure including panel based interviews. Trustees' terms of reference and terms of service have been produced and adopted by the Board.

Trustees are given a detailed brief of the hospice and their duties and responsibilities before they take up their role and once appointed go through a comprehensive induction programme which includes a briefing from the hospice senior managers. A Statement of Duties and Responsibilities is signed up to by all Trustees.

Organisation

The Board of Trustees meets at least 6 times per year and provides the overall strategic guidance and direction for the hospice and ensures that the highest standards of governance are maintained throughout all aspects of the hospice. The Board of Trustees approves the Hospice Five Year Strategy and the ensuing annual budgets and reviews and approves core policies and procedures, as well as monitoring ongoing performance against strategy and budget.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2016 (cont..)

Operational management of the hospice is delegated to the Chief Executive who works with the Leadership Group. The Board of Trustees has three sub groups: Finance, Human Resources and Clinical Governance. These groups work closely with the Chief Executive to ensure detailed review and governance.

Senior management and remuneration policy

The Chief Executive of Saint Michael's Hospice is Tony Collins. Management of the hospice, including responsibility for implementation of the agreed strategy within agreed budgets, is led by Tony and shared by a Leadership Team. The Leadership Team is supported by a clinical strategy group, a senior fund raising group, a volunteers advisory group and a patients and clients group.

In line with the Pay Policy of Saint Michael's, remuneration levels relating to any member of the Leadership Team will be considered by the HR Trustee Group who will co-opt other Trustees to the group for this matter as deemed necessary.

The remuneration of the Chief Executive will be reviewed by a remuneration committee constituted from the chairs of the Trustee Finance and Audit Group, the Trustees Clinical Governance Group and the Trustee HR Group as well as the Chair of the Board of Trustees.

Connected organisations

The trading arm of Saint Michael's Hospice is HDHC Enterprises Limited, an independent company whose annual report and accounts are produced separately. In this financial year the company made a profit of £11,199, which was transferred to Harrogate District Hospice Care by Gift Aid.

Risk management

The Board of Trustees identifies and regularly reviews major risks to which the charity is exposed and has put systems in place to mitigate such risks, through policies and procedures. The organisation has completed risk assessments in support of fire safety, health and safety, food hygiene and infection control. All specific fundraising events are subject to individual risk assessments. Where risks have been identified, action has been taken to minimise them and insurance cover has been taken out where considered prudent.

Objectives and activities

Charitable objectives

The objectives of the charity are to promote the relief of sickness by such charitable means as the Trustees shall, from time to time, see fit.

Charitable aims

Saint Michael's is a local charity that exists to ensure people affected by terminal illnesses get the high quality end of life care they want, need and deserve. Since 1987 we have developed the specialist skills and local knowledge to promote and provide end of life care of the highest standard.

Saint Michael's is committed to:

- Continuing to improve and expand the services available from our hospice;
- Working in collaboration with the health and social care sector to assist people who choose to live at home at the end of their lives;
- Running a comprehensive bereavement support service for adults and children regardless of previous association with the hospice;
- Playing a key role in the development of an end of life care strategy for the local and regional area;
- Identifying and sharing excellent and innovative clinical practice through the development of an education programme for health professionals;
- Speaking out and standing up for the views of the people who use our services, our staff and supporters.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2016 (cont..)

Saint Michael's vision is of a community where everyone gets the care they need to live their last years, months and days with respect and dignity. We believe personalised support should be available regardless of the illness a person is living with or the place from which they are receiving care.

As an organisation, Saint Michael's is driven, caring and responsive. As people, Saint Michael's is inclusive, honest, passionate and innovative.

All of Saint Michael's services are free and continue to be available thanks to the generosity of the communities we serve. The people of Harrogate, Knaresborough, Ripon, Wetherby, Pateley Bridge and the surrounding areas established Saint Michael's Hospice and we remain answerable to them today.

Strategic Report

Achievements and performance

Review of activities and the Public Benefit

We have referred to the guidance given in the Charity Commission's general guidance on public benefit when reviewing our aims, objectives and current activities and also in planning our future activities. There has been significant service development during the reporting period. At the end of the financial reporting period Saint Michael's was providing the following services to benefit the public:

- Ten beds providing specialist in-patient care: to manage pain and symptoms, for respite breaks and during the advanced stages of patients' illnesses;
- Planned respite care offering individuals with end of life care needs the opportunity to stay in our in-patient unit for a one or two week break for care review and respite;
- A day therapy service running four days per week for individuals with end of life care needs who live at home in the community;
- A bereavement service providing resources, structured group/one to one support and fully trained individual face to face, and access to a psychologist for both adults and children struggling with the loss of a loved one, regardless of whether they were cared for by the hospice or not;
- The only specialist clinic for lymphoedema in the area, providing vital physical and psychological support for people living with this condition, while also working proactively to educate in the preventing of this lifelong condition, including community-based clinics in Knaresborough, Ripon and Harrogate;
- Support for all hospice services from an expanding multi disciplinary team including physiotherapy, spiritual care, emotional and psychological support, complementary therapies, medical input, nursing, social work, a dietician and occupational therapy;
- The provision of education and training aimed at increasing end of life care knowledge and skills amongst health care professionals working outside of Saint Michael's;
- The provision of a specialist co-ordination service for patients living with Motor Neurone Disease working in the community directly with the patients;
- A team of community based clinical nurse specialists and Macmillan nurses providing specialist support for patients both in the community and the hospital; and
- A team of trained volunteers supporting and befriending patients in their own homes.

Our Volunteers

Saint Michael's continues to be grateful for the enormous contribution made by volunteers throughout all aspects of hospice services. Our commitment to the recruitment, training and effective deployment of our volunteers remains strong and we are delighted that during the reporting period the number of registered volunteers stood at 552.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2016 (cont..)

Financial review

Income and expenditure summary	2016 £000	2015 £000	Change £000
Cost of hospice services	(3,592)	(3,256)	(336)
Hospice services funding received	1,189	1,060	129
Net cost of charitable activities	(2,403)	(2,196)	(207)
Net contribution from voluntary sources (net of expenditure)	2,267	1,992	275
Other Income	9	-	9
(Losses)/gains on Investments	(6)	10	(16)
Total deficit	(133)	(194)	61

The Charity incurred a deficit of income over expenditure for the year of £133k compared to a deficit of £194k in the previous year. The net cost of charitable activities, which requires funding from voluntary activities, increased by £207k in the year from £2,196k to £2,403k. The increase in costs was largely attributable to staff costs despite full time equivalent staff remaining at 97 and the total number of employees, including bank staff, was 167 (2015 - 170).

Funding received for Hospice Services increased by £129k in the year to £1,189k. CCG funding increased by £22k to £694k. The latter now stands at 19% of the costs of providing hospice services, which still falls short of the national average for independent hospice funding. The amount generated from educational and other services decreased by £2k to £164k.

The net contribution received from voluntary sources was £2,267k, an increase of £275k from the previous year.

Net contribution from voluntary sources	2016 £000	2015 £000	Change £000
Legacies	764	496	268
Lottery	196	142	54
Shops	344	362	(18)
Fundraising and donations	1,535	1,508	27
	2,839	2,508	331
Cost of fund raising and publicity	(572)	(516)	(56)
Net contribution	2,267	1,992	275

Increased legacy income was the most significant reason for the uplift, rising £268k from the previous year. Legacy income remains difficult to predict and, as described below, the Trustees adopt a prudent policy with regard to setting forecasts of income and expenditure which include legacies.

The Charity incurred a cash outflow of £24k during the year, compared to an outflow of £190k in the previous year. The level of operating cash flow was considerably higher than in the previous year at £124k compared to (£79k) largely as a result of the increased legacy income. Capital expenditure was higher than in the previous year at £153k (2015 - £115k) - the current period incurring costs in relation to investments in fixtures and fittings.

The Charity remains financially strong with reserves of £4,763k, including cash of £813k and liquid investments of £103k.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2016 (cont..)

Liquidity and financial strength	2016 £000	2015 £000	Change £000
Cash flow			
Operating Inflow/(outflow)	124	(79)	203
Capital expenditure	(153)	(115)	(38)
Investment Income	5	5	-
Net cash outflow	(24)	(189)	165
 Year end cash at bank	 813	 837	 (24)
 Reserves			
Unrestricted funds	4,078	4,142	(64)
Restricted funds	685	754	(69)
Total	4,763	4,896	(133)
 Solvency Free reserve ratio	 28%	 33%	 -5%

Reserves policy – Solvency Free ratio

Saint Michael's is financially well run with Income and expenditure closely monitored against pre-agreed annual budgets. The Board of Trustees has established a policy having regard to the volatility of Income streams and having regard to those funds not committed or invested in tangible fixed assets.

The Board of Trustees considers that the Charity should have reserves of between 20% and 50% of expenditure. The Board of Trustees also consider legacy income to be unpredictable and therefore sets a maximum annual legacy income budget to be no greater than the actual level of free reserves. Any legacy income excess to agreed budget will form part of the free reserves and not be included in ongoing revenue management accounts. The Trustees consider that reserves at this level would enable the charity to continue its current activities in the event of a significant drop in funding whilst alternative sources of funding and activities were considered. The unrestricted reserves currently invested in tangible fixed assets are not included in this calculation.

The level of reserves will be reviewed on a continuous basis. The budget for each year will be set including the level of reserves in the calculations and will aim to ensure that Saint Michael's financial management is in compliance with this policy.

The current level of free reserves is 28% of expenditure (2015 - 33%).

Investment policy

In determining its investment policy, the Board of Trustees is mindful that its cash reserves, although adequate, provide little scope for speculative investment and, in the main, funds must be readily available to meet any unexpected running costs. To reflect these requirements the bulk of the monies are retained in deposit accounts, where the requirements of availability and higher returns for longer investment periods are balanced. In addition, there is a small portfolio containing a mixture of equity based funds and Index-Linked Government Gilt Edged Securities.

From time to time, equity based shares are donated and these are retained either according to the wishes of the donor, or until such time as it is judged prudent to convert them into cash based savings. Currently hospice investments are managed under the terms of Discretionary Management Agreements with Williams Investment Management and Cardale Asset Management Ltd. Performance is reviewed routinely by the Trustees Finance Sub Committee.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2016 (cont..)

Future plans

Having successfully achieved the aspirations as outlined in the Saint Michael's Strategy 2012-2017, a new strategy is being developed and will be published in early 2017. The new patient focused aspirations will include:

- A strong focus on outreach services;
- Reaching more patient groups that we are not currently reaching;
- Extending our expertise and services for patients with diseases other than cancer;
- Further improving our standards and methods of measuring the effectiveness of our services;
- Developing a plan for addressing our building needs.

Principal risks and uncertainties

Risk management

The Board of Trustees identifies and regularly reviews major strategic risks to which the charity is exposed and has put systems in place to mitigate such risks, through policies and procedures. The organisation has completed risk assessments in support of fire safety, health and safety, food hygiene and infection control, which we consider to be the key risks to the organisation. All specific fundraising events are subject to individual risk assessments. Where risks have been identified, action has been taken to minimise them and insurance cover has been taken out where considered prudent.

Trustees and their statutory responsibilities

The Trustees (who are also directors of Harrogate District Hospice Care (Saint Michael's Hospice) for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and UK Accounting Standards (UK 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 the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP;
- 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; and
- 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 proper 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 that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

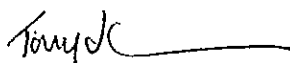
Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2016 (cont..)

Auditors

A resolution proposing that Garbutt & Elliott Audit Limited be re-appointed as auditors of the charity will be put to the Annual General Meeting.

This report, which also includes the Strategic Report, was approved by the Board of Trustees on ~~14th December~~ 2016 and signed on its behalf by:



Mr A Collins
Chief Executive

Harrogate District Hospice Care Saint Michael's Hospice

Independent Auditors' Report to the Members of Harrogate District Hospice Care, Saint Michael's Hospice

We have audited the financial statements of Harrogate District Hospice Care for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice). The accounts 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), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Trustees and auditor

As explained more fully in the Trustee's Responsibilities Statement, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>.

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 2016 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 UK 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 Strategic Report and the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Harrogate District Hospice Care Saint Michael's Hospice

Independent Auditors' Report to the Members of Harrogate District Hospice Care, Saint Michael's Hospice (cont..)

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;
- The financial statements are not in agreement with the accounting records and returns;
- Certain disclosures of Trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit.

Garbutt & Elliott Audit Ltd.

**Mr Alan Sidebottom
Senior Statutory Auditor**

**For and on behalf of Garbutt & Elliott Audit Limited
Statutory Auditor**

20 December 2016

Arabesque House
Monks Cross Drive
York
YO32 9GW

Harrogate District Hospice Care

Saint Michael's Hospice

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2016

	Notes	Unrestricted funds £	Restricted funds £	2016 Total £	2015 Total £
Income					
Donations and grants	2	868,365	269,293	1,137,658	1,132,611
Legacies		764,294	-	764,294	495,904
Income from other trading activities					
Fundraising activities		380,299	-	380,299	367,200
Sale of donated goods		828,952	-	828,952	814,563
Lottery Income		291,156	-	291,156	271,675
Deeds of covenant		11,199	-	11,199	3,091
Income from investments	2	6,033	-	6,033	4,940
		3,150,298	269,293	3,419,591	3,089,984
Income from charitable activities					
NHS funding		767,114	-	767,114	672,334
Hospital Income		231,645	-	231,645	220,783
Education and services		187,901	-	187,901	166,344
Motor Neurone Disease Association		-	2,600	2,600	200
		1,186,660	2,600	1,189,260	1,059,661
Other Income		8,125	-	8,125	108
Total Income		4,345,083	271,893	4,616,976	4,149,753
Expenditure					
Expenditure on raising funds					
Fundraising and publicity		571,749	-	571,749	516,227
Lottery		94,903	-	94,903	129,361
Cost of selling donated goods		484,971	-	484,971	452,325
		1,151,623	-	1,151,623	1,097,913
Expenditure on charitable activities					
Cost of providing hospice services		3,252,118	340,227	3,592,345	3,255,753
Total expenditure	3	4,403,741	340,227	4,743,968	4,353,666

Harrogate District Hospice Care Saint Michael's Hospice

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2016 (cont..)

	Notes	Unrestricted funds £	Restricted funds £	2016 Total £	2015 Total £
Net expenditure before (losses)/gains on investments	5	(58,658)	(68,334)	(126,992)	(203,913)
(Losses)/gains on revaluation/disposal of investments	8	(5,202)	(877)	(6,079)	10,296
Net movement in funds		(63,860)	(69,211)	(133,071)	(193,617)
Total funds brought forward		4,141,766	753,848	4,895,614	5,089,231
Total funds carried forward		4,077,906	684,637	4,762,543	4,895,614

The results for the year all relate to continuing operations.

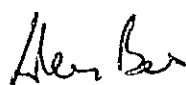
A fully detailed Statement of Financial Activities for the year ended 31 March 2015 is shown at note 18.

Harrogate District Hospice Care Saint Michael's Hospice

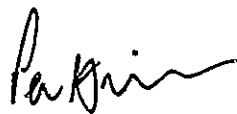
Balance Sheet as at 31 March 2016

		2016		2015	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	7	3,429,286		3,501,723	
Investments	8	103,395		109,474	
		3,532,681		3,611,197	
Current assets					
Debtors	9	848,452		781,435	
Cash at bank and In hand		812,355		836,563	
		1,660,807		1,617,998	
Current liabilities					
Creditors: amounts falling due within one year	10	(430,945)		(333,581)	
Net current assets		1,229,862		1,284,417	
Total assets less current liabilities		4,762,543		4,895,614	
Reserves					
Unrestricted funds	12	4,077,906		4,141,766	
Restricted funds	13	684,637		753,848	
	16	4,762,543		4,895,614	

The Financial Statements were approved by the Trustees on 19th December 2016 and signed on its behalf by:



Ms L Bers
Chair of Trustees



Mr P Harrison
Chair of Finance Sub Group (Trustee)

Company Number: 02121179

The notes on pages 16 to 30 form part of these financial statements.

Harrogate District Hospice Care Saint Michael's Hospice

Cash Flow Statement for the year ended 31 March 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	19	123,647	(79,470)
Cash flows from Investing activities			
Investment Income		5,433	4,940
Payments to acquire tangible fixed assets		(153,288)	(128,302)
Proceeds from sale of tangible fixed assets		-	12,905
Cash used in Investing activities		(147,855)	(110,457)
Change in cash and cash equivalents in the year		(24,208)	(189,927)
Cash and cash equivalents at the beginning of the year		836,563	1,026,490
Cash and cash equivalents at the end of the year		812,355	836,563

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

1.1 Company information

The Charity is a company limited by guarantee, the liability of the Directors is limited to one pound, and a charity registered in England and Wales. The registered office is Crimple House, Hornbeam Park Avenue, Harrogate, HG2 8QL.

1.2 Accounting convention

The financial statements have been prepared on a going concern basis 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 Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Harrogate District Hospice Care meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy notes.

1.3 Reconciliation with previous Generally Accepted Accounting Practice

These Financial Statements for the year ended 31 March 2016 are the first financial statements prepared in accordance with FRS 102 and Charities SORP (FRS 102). The date of transition was 1 April 2014.

In preparing the accounts, the Directors have considered whether in applying the accounting policies required by FRS 102 and Charities SORP (FRS 102) the restatement of comparative items was required.

At the date of transition, applying the requirement to recognise a holiday pay accrual has decreased funds brought forward, as below.

	31 March 2015 £	1 April 2014 £
Fund balance as previously stated	4,925,439	5,113,021
Holiday pay accrual	(29,825)	(23,790)
Fund balances as restated	4,895,614	5,089,231

The disclosure requirements for both FRS 102 and Charities SORP (FRS 102) have been fully applied and the comparative disclosure has been restated accordingly.

1.4 Going concern

The Trustees have at the time of approving the financial statements a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Harrogate District Hospice Care

Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

1. Accounting policies (cont..)

1.5 Income

Income is recognised in the year in which entitlement arises, receipt is probable and the amount can be reliably measured. Income is deferred:

- where the charitable company has to fulfil conditions before becoming entitled to it,
- where the income is received specifically for expenditure in a future accounting period, or
- where donations, sponsorship and entry fees are received in anticipation of an event to be held in a future accounting period.

1.6 Grants

Income from government grants and other grants whether 'capital grants' or 'revenue grants' is recognised when the charity has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably and not deferred.

1.7 Legacies

Pecuniary and residuary legacies are recognised when there is sufficient evidence of entitlement to the legacy, receipt is probable and it can be measured with sufficient reliability.

1.8 Donated goods, services and facilities

Donated professional services and facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from use of the item is probable and the economic benefit can be measured reliably. In accordance with Charities SORP (FRS 102), the value of volunteer time is not recognised in the financial statements. Please refer to the Trustees' Annual Report for more information.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is recognised in expenditure in the period of receipt.

Income from goods donated for sale in the charity's shops is recognised at point of sale. As a result of the high volume of low value donated goods received by the charity, the cost of recognising these items at fair value on receipt would outweigh the benefit of recognising them in the accounts.

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of interest paid or payable by the bank.

Harrogate District Hospice Care

Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

1. Accounting policies (cont..)

1.10 Fund accounting

Funds held by the charity are either:

Unrestricted General Funds - these are funds which can be used in accordance with the charitable objects of the charity at the discretion of the Trustees.

Restricted Funds - these are funds that can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanations of the nature and purpose of each restricted fund is included in note 13 to the financial statements.

1.11 Expenditure and Irrecoverable VAT

Expenditure is included in the Statement of Financial Activities (SoFA) on an accruals basis, exclusive of any VAT which can be recovered.

Expenditure which is directly attributable to specific activities has been included in the appropriate cost categories. Where costs are attributable to more than one activity, they have been apportioned across the cost categories on a basis consistent with the use of these resources. Cost allocations have been based on staff time between each activity.

1.12 Pensions

The charity operates a number of pension arrangements for the benefit of employees which include both defined contribution schemes and defined benefit. The assets of the schemes are held separately from those of the charity and are invested in independent funds, including the NHS Pension Scheme. The charge to the Statement of Financial Activities represents the contributions payable by the charity to the schemes during the year.

The defined benefit NHS scheme is not designed in such a way that allows individual employers to identify their share of the assets and liabilities and the scheme is unfunded. In accordance with FRS102 the scheme has been accounted for as if it was a defined contribution scheme.

1.13 Staff costs

The costs of short term employee benefits are recognised as a liability and an expense where settlement of obligations does not fall within the same period.

1.14 Tangible fixed assets

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental costs of acquisition. Depreciation is calculated to write off the cost or valuation, less estimated residual values, of tangible fixed assets over their estimated useful lives to the charity. The annual depreciation rates and methods are as follows:-

Leasehold property	- Straight-line over the life of the lease
Freehold property	- See below
Freehold property improvements	- 10% on a straight-line basis
Motor vehicles	- 25% on a straight-line basis
Fixtures and equipment	- 25% on a straight-line basis

Harrogate District Hospice Care

Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

1. Accounting policies (cont..)

1.14 Tangible fixed assets (cont..)

No depreciation is charged on the freehold property as the Board of Trustees consider that the economic life and residual value of the property is such that its depreciation is immaterial.

1.15 Investments

Investments are stated at market value at the balance sheet date.

The investment portfolio is held to generate returns and gains for the charity and accordingly is designated as fair value through profit and loss ("FVTPL"). Under this designation the portfolio is revalued at each period end to its fair value, as determined by reference to quoted market prices and values determined by independent fund managers, with any gains or losses going through the statement of financial activity.

1.16 Stocks

Donated items of stock for resale are not included in the financial statements until they are sold because the Trustees consider it impractical to assess the amount of donated stock held as there is no system in place to record these items or value them until they are sold. The value of these goods to the charity is instead recognised when they are sold in the shops.

1.17 Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the SoFA on a straight-line basis over the period of the lease.

1.18 Financial Instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

1.19 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital.

1.20 Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid.

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. The impairment loss is recognised in the income and expenditure account.

Harrogate District Hospice Care

Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

1. Accounting policies (cont..)

1.21 Creditors, loans and provisions

Creditors, loans and provisions are recognised where the group has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors, loans and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

Financial liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

1.22 Taxation

Harrogate District Hospice Care is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, the Hospice is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

1.23 Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Depreciation of tangible assets

Depreciation policies have been set according to management's experience of the useful lives of the assets in each category, something which is reviewed annually.

Legacies

Legacies are recognised as income when probate has been granted, the Charity has established its entitlement to the funds and where sufficient information is available to allow it to measure its entitlement.

At 31 March 2016, the Charity was not aware of any legacies that it is entitled to but had insufficient information to measure the monetary value.

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

2. Income

	2016 £	2015 £
Donations and grants		
Donations	938,872	872,106
Gift aid	98,786	86,446
Non performance related grants – The Liz and Terry Bramall Foundation	100,000	100,000
Gift of shares	-	74,059
	1,137,658	1,132,611

Income from Investments

Dividends received	2,016	3,488
Interest on cash deposits	3,417	1,452
Rental Income	600	-
	6,033	4,940

The hospice benefits greatly from the involvement of its many volunteers, details of which are given in the trustees' annual report. In accordance with FRS 102, the economic contribution of volunteers is not recognised in the accounts.

3. Total expenditure

Year ended 31 March 2016	Staff costs £	Direct costs £	Support costs £	Depreciation £	2016 Total £
Cost of generating funds					
Fundraising activities	342,829	131,784	91,301	5,835	571,749
Lottery	4,440	84,628	-	5,835	94,903
Cost of selling donated goods	204,805	197,165	64,068	18,933	484,971
	552,074	413,577	155,369	30,603	1,151,623
Charitable expenditure					
Cost of providing Hospice services	2,096,430	415,172	885,621	195,122	3,592,345
Total expenditure	2,648,504	828,749	1,040,990	225,725	4,743,968

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont.)

3. Total expenditure (cont.)

Year ended 31 March 2015	Staff costs £	Direct costs £	Support costs £	Depreciation £	2015 Total £
Cost of generating funds					
Fundraising activities	293,025	138,088	79,514	5,600	516,227
Lottery	28,038	95,723	-	5,600	129,361
Cost of selling donated goods	181,396	186,195	61,289	23,445	452,325
	502,459	420,006	140,803	34,645	1,097,913
Charitable expenditure					
Cost of providing Hospice services	1,922,855	357,233	803,078	172,587	3,255,753
Total expenditure	2,425,314	777,239	943,881	207,232	4,353,666

4. Support costs

Included in the analysis of total resources expended above are support costs, which have been allocated on a usage basis, as follows:

Year ended 31 March 2016	Staff costs £	Finance and IT systems £	Admin costs £	2016 Total £
Fundraising activities	64,068	10,576	16,657	91,301
Cost of selling donated goods	64,068	-	-	64,068
Cost of providing hospice services	726,100	59,933	99,588	885,621
Total	854,236	70,509	116,245	1,040,990

Year ended 31 March 2015	Staff costs £	Finance and IT systems £	Admin costs £	2015 Total £
Fundraising activities	61,289	9,582	8,643	79,514
Cost of selling donated goods	61,289	-	-	61,289
Hospice services	694,605	54,299	54,174	803,078
Total	817,183	63,881	62,817	943,881

5. Net expenditure for the year

This is stated after charging:-	2016 £	2015 £
Depreciation of tangible assets	225,725	207,232
Auditors' remuneration	5,200	5,200
Operating lease rentals	151,220	146,607
Profit on disposal of fixed assets	-	(108)

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont.)

6. Staff numbers and costs

The total number of employees at the year end (including bank staff) was:

	2016 Number	2015 Number
Patient care	126	127
Administration and fundraising	41	43
	167	170

The average number of employees (whole time equivalent) by function was:

	2016 Number	2015 Number
Patient care	62	64
Administration and fundraising	35	33
	97	97

The term "bank staff" refers to individuals (usually clinicians) that have been interviewed and deemed appropriate to work for the charity. Bank staff have no fixed hours and are called upon as and when required to cover staff absences and periods of high demand.

The aggregate payroll costs for the year were as follows:

	2016 £	2015 £
Wages and salaries	3,020,401	2,805,983
Social security costs	225,734	203,492
Other pension costs	256,605	233,022
	3,502,740	3,242,497

The number of employee benefits in excess of £60,000, classified within bands of £10,000 is:

	2016 Number	2015 Number
£70,000 - £80,000	1	1

The pension costs of the higher paid employee was £6,560 defined contribution scheme costs (2015 - £6,396).

The Trustees did not receive any remuneration benefits or out of pocket expenses during the year (2015 - £nil).

The key management personnel of the Charity comprise the Trustees and the 5 members of the senior management team. The total remuneration of the key management personnel employed by the Charity was £330,916 (2015 - £315,937).

Harrogate District Hospice Care

Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

7. Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Motor vehicles £	Fixtures and equipment £	Total £
Cost					
At 1 April 2015	3,612,897	346,548	38,188	747,033	4,744,666
Additions	47,055	3,495	-	102,738	153,288
Disposals	-	(675)	-	-	(675)
At 31 March 2016	3,659,952	349,368	38,188	849,771	4,897,279
Depreciation					
At 1 April 2015	393,228	197,856	38,188	613,671	1,242,943
Charge for the year	116,709	36,383	-	72,633	225,725
On disposals	-	(675)	-	-	(675)
At 31 March 2016	509,937	233,564	38,188	686,304	1,467,993
Net book values					
At 31 March 2016	3,150,015	115,804	-	163,467	3,429,286
At 31 March 2015	3,219,669	148,692	-	133,362	3,501,723

Included above is £2,492,888 (2015 - £2,492,888) in respect of freehold land and buildings which has not been depreciated in accordance with accounting policy 1.14.

8. Investments

	Listed investments £	Cash for reinvestment £	Total £
Valuation at 1 April 2015	105,757	3,717	109,474
Additions	9,974	1,345	11,319
Disposals	(11,319)	-	(11,319)
Losses on revaluation of Investments	(6,079)	-	(6,079)
Valuation at 31 March 2016	98,333	5,062	103,395

The historic cost of Investments at 31 March 2016 was £95,272 (2015 - £95,803).

We have not disclosed Investments representing more than 5% of the investment portfolio due to immateriality.

Included in the above is cash of £501 (2015 - £nil) and Investments of £17,754 (2015 - £19,132) which relates to a restricted endowment.

Harrogate District Hospice Care **Saint Michael's Hospice**

Notes to the Financial Statements for the year ended 31 March 2016 (cont.)

9. Debtors

	2016	2015
	£	£
Trade debtors	66,174	87,098
Other debtors	5,120	-
Prepayments	48,826	53,309
Accrued Income	686,644	627,372
Due from HDHC Enterprises Limited	2,329	13,656
VAT receivable	39,359	-
	848,452	781,435

The above includes accrued income of £635,484 (2015 - £627,244) in respect of legacy income notified in the year.

10. Creditors: amounts falling due within one year

	2016	2015
	£	£
Trade creditors	206,901	106,710
Taxes and social security costs	60,128	63,687
Other creditors	34,854	30,911
Accruals and deferred income	129,062	132,273
	430,945	333,581

The above includes deferred income of £62,211 (2015 - £77,846) of which £62,211 (2015 - £67,845) is in respect of money received in advance for future lottery draws.

Included within other creditors is an amount of £1,474 (2015 - £2,828) which relates to credit cards and is secured by way of a charge over freehold property.

11. Financial instruments

	2016	2015
	£	£
Carrying value of financial assets		
Financial assets carried at amortised cost	1,572,622	1,564,689
Financial assets carried at fair value	103,395	109,474
Carrying value of financial liabilities		
Financial liabilities carried at amortised cost	370,817	269,894

12. Unrestricted funds

	2016	2015
	£	£
At 1 April 2015	4,141,766	4,304,948
Net expenditure before other recognised gains and losses	(58,658)	(172,809)
Gains on revaluation/disposal of investments	(5,202)	9,627
At 31 March 2016	4,077,906	4,141,766

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

13. Restricted funds

	Balance at 1 April 2015 £	Income £	Expenditure £	Revaluation of endowment £	Balance at 31 March 2016 £
Endowment fund	19,132	-	-	(877)	18,255
Department of Health Grant	24,022	-	(7,943)	-	16,079
Burton House	49,994	-	(10,719)	-	39,275
Crimple House renovation	3,507	-	(876)	-	2,631
IPU Refurbishment	190,550	-	(30,900)	-	159,650
Motor Neurone Disease Fund	10,021	5,000	(7,535)	-	7,486
Day Therapy refurbishment	6,375	-	(994)	-	5,381
IPU equipment	16,581	35,616	(24,550)	-	27,647
Saint Michael's at Starbeck	365,455	10,500	(45,391)	-	330,564
Macmillan	-	14,969	(5,500)	-	9,469
Just'B'	20,412	95,131	(114,312)	-	1,231
Volunteer visitors	-	72,912	(31,321)	-	41,591
Lymphoedema equipment	-	17,397	(17,397)	-	-
End of life project lead	28,856	-	(24,721)	-	4,135
Mattress	11,027	4,790	(3,447)	-	12,370
On Call System	4,015	-	(1,486)	-	2,529
Other funds	3,901	15,578	(13,135)	-	6,344
	753,848	271,893	(340,227)	(877)	684,637



Fund	Purpose
Endowment fund	To start a fund to be invested in securities providing long term growth. The expense on the fund represents investment gain during the year.
Department of Health Grant	To spend on various specific improvements to the Hospice environment. The balance of the fund represents the net book value of the work carried out.
Burton House	Towards the cost of refurbishment of a new property acquired in 2009 which houses staff and volunteers including those providing bereavement support for children and young people.
Crimple House renovation	This was set up by the Clothworkers' Foundation towards improvements to the Day Therapy Unit.
IPU Refurbishment	This was established for the purpose of extensive refurbishment to the In Patient Unit; It includes a grant from the DoH of £296,000. Work was completed in June 2012. The Kirkby Foundation, The Harry Bolland Trust, Leeds BS and Sovereign Health Care CH Trust also made donations to the IPU.

Harrogate District Hospice Care

Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

13. Restricted funds (cont..)

Fund	Purpose
Motor Neurone Disease Fund	This was donated for the purpose of funding a Motor Neurone Disease Specialist Co-ordinator post. Donations were made by the Motor Neurone Disease Association, Childwick Trust and The February Foundation.
Day Therapy refurbishment	The Kirkby Foundation, The Garfield Weston Foundation and the Hedley Foundation provided funds towards the refurbishment of the treatment rooms in the Day Therapy Unit.
IPU equipment	Crockery for the Inpatient Unit was purchased with a grant from the Zurich Foundation and other equipment was purchased with funds donated by the Lapa Charitable Trust and Greggs Foundation.
Saint Michael's @ Starbeck	This represents funds to purchase and convert a property in Starbeck to enable Saint Michael's to extend its reach into the community. The Department of Health gave £341,290 to help fund this project, along with £10,000 from The Garfield Weston Foundation and the Rayne Foundation and Awards for All.
Macmillan	This fund represents the balance transferred from HDHT, being donations which have been restricted for Saint Michael's Macmillan nurses to help their clients.
Just'B'   LOTTERY FUNDED	<p>The Big Lottery Fund donated £40,000 towards the mental health and wellbeing counselling support service. In addition to BBC Children in Need who have granted funding over three years to support the Senior Bereavement Support worker for Children & Young People.</p> <p>As part of the County councillor locality budgets North Yorkshire County Council have funded fifteen one to one sessions of bereavement support for local people.</p>
Volunteer visitors	<p>This represents money which has been given to support the volunteer visitor project which sees volunteers providing a befriending service.</p> <p>Included within the restricted income for this fund is an amount of £18,596 from the Cabinet Office.</p>
Lymphoedema equipment	This was given by two donors for the purchase of lymphoedema equipment.
End of life project lead	This was given to fund research into a system for recording end of life preferences.
Mattress	This comprises money given from three donors for the purchase of specialist mattresses for the IPU.
On Call System	This money was given to fund an on call system for the IPU.
Other	This comprises restricted funds with a balance carried forward of less than £3,000.

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont.)

14. Financial commitments

At 31 March 2016 the charitable company had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	Land and buildings £	Other operating leases £	2016 Total £	Land and buildings £	Other operating leases £	2015 Total £
Due within one year	100,145	21,699	121,844	124,750	9,357	134,107
Due between two and five years	142,100	47,558	189,658	152,765	-	152,765
Due after five years	24,640	3,483	28,123	32,720	-	32,720
	266,885	72,740	339,625	310,235	9,357	319,592

15. Related party transactions

HDHC Enterprises Limited is related to the Hospice by way of common directors. Included within other debtors is £2,329 (2015 - £13,655) due from HDHC Enterprises Limited. HDHCE generated profit in the year of £11,199 which was covenanted to the Charity (2015 - £3,091).

16. Analysis of net assets between funds

Fund balances are represented by:

Fund balances at 31 March 2016	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	2,842,257	587,029	3,429,286
Investments	85,140	18,255	103,395
Current assets	1,581,454	79,353	1,660,807
Current liabilities	(430,945)	-	(430,945)
Total net assets	4,077,906	684,637	4,762,543
Fund balances at 31 March 2015	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	2,810,907	690,816	3,501,723
Investments	90,342	19,132	109,474
Current assets	1,574,098	43,900	1,617,998
Current liabilities	(333,581)	-	(333,581)
Total net assets	4,141,766	753,848	4,895,614

Harrogate District Hospice Care **Saint Michael's Hospice**

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

17. Capital commitments

At 31 March 2016 there were no capital commitments (2015 - £nil).

18. Reconciliation of net movement in funds to net cash provided by/(used in) operating activities

	2016 £	2015 £
Net expenditure before gains on Investments	(126,992)	(203,913)
Investment Income	(5,433)	(4,940)
Non cash gift of shares	-	(74,059)
Depreciation	225,725	207,232
Profit on sale of fixed assets	-	(108)
(Increase) / decrease in debtors	(67,017)	17,658
Increase / (decrease) in creditors	97,364	(21,340)
Net cash inflow / (outflow) from operating activities	123,647	(79,470)

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

19. Statement of Financial Activities (Including Income and Expenditure Account) for the year ending 31 March 2015

	Unrestricted funds £	Restricted funds £	2015 Total £
Income			
Donations and grants	868,243	264,368	1,132,611
Legacies	495,904	-	495,904
Income from other trading activities			
Fundraising activities	367,200	-	367,200
Sale of donated goods	814,563	-	814,563
Lottery Income	271,675	-	271,675
Deeds of covenant	3,091	-	3,091
Income from Investments	4,940	-	4,940
	2,825,616	264,368	3,089,984
Income from charitable activities			
NHS grant funding	672,334	-	672,334
Hospital Income	220,783	-	220,783
Education and services	166,344	-	166,344
Motor Neurone Disease Association	-	200	200
	1,059,461	200	1,059,661
Other Income	108	-	108
Total Income	3,885,185	264,568	4,149,753
Expenditure			
Expenditure on raising funds			
Fundraising and publicity	516,227	-	516,227
Lottery	129,361	-	129,361
Cost of selling donated goods	452,325	-	452,325
	1,097,913	-	1,097,913
Expenditure on charitable activities			
Cost of providing hospice services	2,960,081	295,672	3,255,753
Total expenditure	4,057,994	295,672	4,353,666

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2016 (cont..)

19. Statement of Financial Activities (Including Income and Expenditure Account) for the year ending 31 March 2015 (cont..)

	Unrestricted funds £	Restricted funds £	2015 Total £
Net expenditure before gains on investments	(172,809)	(31,104)	(203,913)
Gains on revaluation/disposal of Investments	9,627	669	10,296
Net movement in funds	(163,182)	(30,435)	(193,617)
Total funds brought forward	4,304,948	784,283	5,089,231
Total funds carried forward	4,141,766	753,848	4,895,614