

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 2017**

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

Contents

	Page
Charity Information	1
Statement from Chair of Trustees	2
Report of the Trustees.....	3
Independent Auditor's Report.....	10
Statement of Financial Activities	12
Balance Sheet	14
Cash Flow Statement	15
Notes to the Financial Statements.....	16

Harrogate District Hospice Care Saint Michael's Hospice

Charity 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
Dr C Hall
Dr S Hay
Rev J Dobson

Company Secretary

Mr A Collins

Registered charity number

518905

Company number

02121179

Principal and registered office

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

Auditor

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

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 2017

The year in view for Saint Michael's will be remembered for a number of reasons. Firstly, and most importantly, it should be remembered for the relentless growth and delivery of a range of first class services making a significant difference to increasing numbers of individuals across Harrogate and surrounding district. Whatever other challenges we face, including changing political landscape, increased need and economic pressures on funding, the patient must and does remain our primary driver and reason for being.

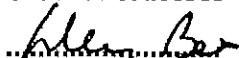
With this very much at the forefront of our thinking this year also saw the launch of our new three year strategy, 2020 Vision. Following the successful completion of our previous strategy, our renewed vision will drive us ever further into the community reaching more people, with more services, breaking down barriers and tackling inequalities, to ensure our services are accessible to all. Our ambitious plans recognise and are also working towards greater funding stability, as well as looking at the long-term future for our inpatient unit.

The year also marked the beginning of our 30th Anniversary year, an opportunity to reflect and celebrate a remarkable journey made possible because of some remarkable individuals and a community which Saint Michael's is very much part of. We exist for and because of the communities we serve.

Once again all of this has been happening during a challenging financial year. With a strong income from legacies helping us through increasingly challenging fundraising times, 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, staff, event participants, regular givers, lottery members, charitable trusts, corporate organisations, schools and community groups and the many people who support us through our shops. As ever, thank you for your passion and support for high quality local hospice care. We could not make the difference that we do without each and every one of you.

Ms L Bers
Chair of Trustees



Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2017

The Board of Trustees presents its Report which includes the Strategic Report and the audited financial statements for the year ended 31 March 2017.

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 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 and up to the date of this report were:

Ms L Bers (Chair of Trustees)	Mr M Robinson
Ms L Simmons	Ms K Wheeldon
Mr C Tweedle	Mr J Bell (resigned 10 April 2017)
Ms J Macquarie	Mr P Harrison (resigned 28 November 2017)
Mr A Priestley	Dr S Hay
Dr C Hall	Rev J Dobson (appointed 5 September 2017)

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 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 2017

Operational management of the hospice is delegated to the Chief Executive who works with the Leadership Group. The Board of Trustees has four sub groups: Finance and Audit, Human Resources, Strategy Achievement 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 community relationships team, a volunteer advisory group and patients and clients focus groups.

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, the Strategy Achievement 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 £6,648, which was transferred to Harrogate District Hospice Care by Gift Aid.

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 hospice 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.

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.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2017

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 inpatient care: to manage pain and symptoms, for respite breaks and during the advanced stages of patients' illnesses;
- A day therapy service running four days per week for individuals living with terminal illnesses 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 counselling, 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 management 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 and other neurological diseases working in the community directly with the patients;
- A team of trained volunteers supporting and befriending patients in their own homes as part of the Volunteer Visitors Service.
- A small team of experienced and trained staff providing emotional well-being support for children and young people across many secondary and primary schools.

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 640.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2017

Financial review

Income and expenditure summary	2017 £000	2016 £000	Change £000
Cost of hospice services	(3,646)	(3,592)	(54)
Hospice services funding received	1,079	1,189	(110)
Net cost of charitable activities	(2,567)	(2,403)	(164)
Net contribution from voluntary sources (net of expenditure)	2,491	2,268	223
Other income	20	8	12
Gains/(losses) on Investments	13	(6)	19
Total deficit	(43)	(133)	90

The Charity incurred a deficit of income versus expenditure for the year of £43k compared to a deficit of £133k in the previous year. The net cost of charitable activities, which requires funding from voluntary activities, increased by £164k in the year from £2,403k to £2,567k. The increase in costs was largely attributable to staff costs with full time equivalent staff increasing to 99 (2016 - 97) and the total number of employees, including bank staff, increased to 169 (2016 - 167).

Funding received for Hospice Services decreased by £110k in the year to £1,079k. CCG funding increased by £92k to £786k as this now includes funding for medical supply recharges. CCG funding now stands at 22% of the costs of providing hospice services, which still falls short of the national average for independent hospice funding. Hospital income decreased by £147k to £85k following a transfer of a service to HDFT. Costs reduced by a similar amount. The amount generated from educational and other services increased by £6k to £194k.

The net contribution received from voluntary sources was £2,491k, an increase of £223k from the previous year.

Net contribution from voluntary sources	2017 £000	2016 £000	Change £000
Legacies	1,170	764	406
Lottery	190	197	(7)
Shops	311	344	(33)
Fundraising and donations	1,415	1,535	(120)
	3,086	2,840	246
Cost of fund raising and publicity	(595)	(572)	(23)
Net contribution	2,491	2,268	223

Increased legacy income was the most significant reason for the uplift, rising £406k 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 £444k during the year, compared to an outflow of £24k in the previous year. The level of operating cash flow was considerably lower than in the previous year at (£328k) compared to £123k largely as a result of large amounts of the legacy income still to be received. Capital expenditure was lower than in the previous year at £135k including £12k in relation to a gifted van (2016 - £153k).

The Charity remains financially strong with reserves of £4,720k, including cash of £368k and liquid investments of £116k.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2017

Liquidity and financial strength	2017 £000	2016 £000	Change £000
Cash flow			
Operating (outflow)/Inflow	(329)	123	(452)
Capital expenditure	(123)	(153)	30
Investment Income	8	6	2
Net cash outflow	(444)	(24)	(420)
Year end cash at bank	368	812	(444)
Reserves			
Unrestricted funds	4,191	4,078	113
Restricted funds	529	685	(156)
Total	4,720	4,763	(43)
 Solvency Free reserve ratio	 29%	 28%	

The reduction in Restricted funds reflects the depreciation of assets acquired in previous years, notably the Starbeck property, and an £18k transfer between Restricted and Unrestricted funds (see note 13). This transfer has contributed to the increase in Unrestricted funds, together with an £81k surplus on Unrestricted Income and a £13k gain on the value of Investments.

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 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. Free reserves are calculated as Unrestricted Current assets less Unrestricted Current Liabilities and stood at £1,249k at 31 March 2017 (2016: £1,151k). The unrestricted reserves currently invested in tangible fixed assets are not included in this calculation. Lottery costs and depreciation are excluded from expenditure for the purposes of 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 29% of expenditure (2016 - 28%).

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.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2017

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 a Discretionary Management Agreement with Cardale Asset Management Ltd. Performance is reviewed routinely by the Trustees Finance and Audit Sub Committee.

Future plans

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

- Helping more people who are living with terminal illness, at home, by developing our outreach and outpatient services
- Supporting more people from underrepresented groups by breaking down the barriers that stop them from accessing care
- Ensuring more people with illnesses other than cancer get the care they need
- 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.

Harrogate District Hospice Care Saint Michael's Hospice

Report of the Trustees for the year ended 31 March 2017

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.

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 30 November 2017 and signed on its behalf by:



Mr A Collins
**Company Secretary and
Chief Executive**

Harrogate District Hospice Care Saint Michael's Hospice

Independent Auditor's 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 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 Trustees' 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 2017 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, based on the work undertaken in the course of our audit, the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements, and the Trustees' Annual Report has been prepared in accordance with applicable legal requirements.

Harrogate District Hospice Care Saint Michael's Hospice

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

Matters on which we are required to report by exception

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

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.



**Mr Alan Sidebottom
Senior Statutory Auditor**

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

14 December 2017

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 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Income from:					
Donations and grants	2	925,155	156,528	1,081,683	1,137,658
Legacies		1,170,293	-	1,170,293	764,294
Income from other trading activities					
Fundraising activities		319,287	-	319,287	380,299
Sale of donated goods		910,433	-	910,433	828,952
Lottery Income		285,709	-	285,709	291,156
Deeds of covenant		6,648	-	6,648	11,199
Income from investments	2	7,755	-	7,755	6,033
		3,625,280	156,528	3,781,808	3,419,591
Income from charitable activities					
NHS funding		800,278	-	800,278	767,114
Hospital Income		84,568	-	84,568	231,645
Education and services		194,343	-	194,343	187,901
Motor Neurone Disease Association		-	-	-	2,600
		1,079,189	-	1,079,189	1,189,260
Other income		20,250	-	20,250	8,125
Total income		4,724,719	156,528	4,881,247	4,616,976
Expenditure on:					
Expenditure on raising funds					
Fundraising and publicity		595,602	-	595,602	571,749
Lottery expenditure		96,228	-	96,228	94,903
Cost of selling donated goods		599,430	-	599,430	484,971
		1,291,260	-	1,291,260	1,151,623
Expenditure on charitable activities					
Cost of providing hospice services		3,351,549	294,338	3,645,887	3,592,345
Total expenditure	3	4,642,809	294,338	4,937,147	4,743,968

Harrogate District Hospice Care Saint Michael's Hospice

Statement of Financial Activities (Incorporating an Income and Expenditure Account) for the year ended 31 March 2017

	Notes	Unrestricted funds £	Restricted funds £	2017 Total £	2016 Total £
Net income/(expenditure) before gains/(losses) on investments		81,910	(137,810)	(55,900)	(126,992)
Gains/(losses) on revaluation/disposal of investments	8	13,034	-	13,034	(6,079)
Net income/(expenditure)		94,944	(137,810)	(42,866)	(133,071)
Transfers between funds	13	18,255	(18,255)	-	-
Net movement in funds		113,199	(156,065)	(42,866)	(133,071)
Total funds brought forward		4,077,906	684,637	4,762,543	4,895,614
Total funds carried forward		4,191,105	528,572	4,719,677	4,762,543

The results for the year all relate to continuing operations.

A fully detailed Statement of Financial Activities for the year ended 31 March 2016 is shown at note 19.

Harrogate District Hospice Care Saint Michael's Hospice

Balance Sheet as at 31 March 2017

	Notes	2017 £	2016 £
Fixed assets			
Tangible assets	7	3,315,162	3,429,286
Investments	8	116,429	103,395
		3,431,591	3,532,681
Current assets			
Debtors	9	1,327,080	848,452
Cash at bank and in hand		368,204	812,355
		1,695,284	1,660,807
Current liabilities			
Creditors: amounts falling due within one year	10	(407,198)	(430,945)
Net current assets		1,288,086	1,229,862
Total assets less current liabilities		4,719,677	4,762,543
Reserves			
Unrestricted funds	12	4,191,105	4,077,906
Restricted funds	13	528,572	684,637
	16	4,719,677	4,762,543

The notes on pages 16 to 32 form part of these financial statements.

The Financial Statements were approved by the Trustees on 30 November 2017 and signed on its behalf by:

Ms L Bers
Chair of Trustees



Ms K Wheeldon
Trustee



Company Number: 02121179

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

Cash Flow Statement for the year ended 31 March 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(328,751)	123,047
Cash flows from investing activities			
Investment Income		7,755	6,033
Payments to acquire tangible fixed assets (excluding gift of van)		(123,155)	(153,288)
Cash used in investing activities		(115,400)	(147,255)
Change in cash and cash equivalents in the year		(444,151)	(24,208)
Cash and cash equivalents at the beginning of the year		812,355	836,563
Cash and cash equivalents at the end of the year		368,204	812,355

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

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:

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 Crimble House, Hornbeam Park Avenue, Harrogate, HG2 8QL.

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.

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.

Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attaching to the item(s) have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of fundraising events is deferred until the event has taken place and the criteria for income recognition are met.

Grants

Income from government 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.

Legacies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the hospice that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy in whole or part, is only considered probable when the amount can be measured reliably and where the hospice is not aware of any potential challenge to the estate. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

1. Accounting policies (continued)

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.

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.

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 restricted funds is included within the notes to the financial statements.

Expenditure and irrecoverable VAT

Expenditure is included in the Statement of Financial Activities 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.

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.

Pensions

The charity operates a defined contribution scheme. The assets of the schemes are held separately from those of the charity and are invested in independent funds. The charge to the Statement of Financial Activities ("SoFA") represents the contributions payable by the charity to the scheme during the year.

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

1. Accounting policies (continued)

In previous years the charity operated a number of pension arrangements for the benefit of employees which included both defined contribution and defined benefit schemes. The assets of the schemes were held separately from those of the charity and invested in independent funds, including the NHS Pension Scheme. The charge to the SoFA represented 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 was accounted for as if it was a defined contribution scheme. All members of the NHS scheme have either been TUPE'd to HDFT or have left the company. The defined contribution schemes have also been consolidated so there is only one pension scheme manager.

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.

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

No depreciation is charged on the freehold property as the Board of Trustees consider that the economic life and residual value of the property are such that any depreciation charge arising would be immaterial both on an annual and aggregate basis.

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 SoFA.

Stocks

Donated items of stock for resale are not included in the financial statements until they are sold as 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 therefore recognised when they are sold in the shops.

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.

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

1. Accounting policies (continued)

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.

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.

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.

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.

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

1. Accounting policies (continued)

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.

Residual values of freehold properties

The charity owns freehold properties which are depreciated at cost less estimated residual value over the remainder of their useful economic life. The residual values are estimated based on the current market value of the properties assuming they are already of the age and condition expected at the end of their useful life.

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 2017, 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 2017

2. Income

Donations and grants	2017 £	2016 £
Donations	846,093	938,872
Gift aid	123,590	98,786
Non performance grants – The Liz and Terry Bramall Foundation	100,000	100,000
Gift in kind	12,000	-
	1,081,683	1,137,658
Income from investments		
Dividends received	6,254	2,016
Interest on cash deposits	901	3,417
Rental Income	600	600
	7,755	6,033

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 2017	Direct staff costs £	Direct costs £	Support costs £	Depreciation £	2017 Total £
Expenditure on raising funds					
Fundraising activities	399,200	109,772	80,604	6,026	595,602
Lottery expenditure	7,910	82,292	-	6,026	96,228
Cost of selling donated goods	319,881	203,987	50,836	24,726	599,430
	726,991	396,051	131,440	36,778	1,291,260
Expenditure on charitable activities					
Cost of providing Hospice services	2,295,068	393,490	744,827	212,502	3,645,887
Total expenditure	3,022,059	789,541	876,267	249,280	4,937,147

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

3. Total expenditure (cont..)

Year ended 31 March 2016	Direct staff costs £	Direct costs £	Support costs £	Depreciation £	2016 Total £
Expenditure on raising 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
Expenditure on charitable activities					
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

4. Support costs

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

Year ended 31 March 2017	Staff costs £	Finance and IT systems £	Admin costs £	2017 Total £
Fundraising activities	50,836	7,911	21,857	80,604
Cost of selling donated goods	50,836	-	-	50,836
Cost of providing hospice services	576,143	44,825	123,859	744,827
Total	677,815	52,736	145,716	876,267

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
Hospice services	726,100	59,933	99,588	885,621
Total	854,236	70,509	116,245	1,040,990

5. Net expenditure for the year

This is stated after charging:-	2017 £	2016 £
Depreciation of tangible assets	249,279	225,725
Auditor's remuneration - audit	5,330	5,200
- accountancy services	1,230	1,200
Operating lease rentals	160,883	151,220

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

Notes to the Financial Statements for the year ended **31 March 2017**

6. Staff numbers and costs

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

	2017 Number	2016 Number
Patient care	122	126
Administration and fundraising	47	41
	169	167

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

	2017 Number	2016 Number
Patient care	60	62
Administration and fundraising	39	35
	99	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:

	2017 £	2016 £
Wages and salaries	3,212,683	3,020,401
Social security costs	230,343	225,734
Other pension costs	256,848	256,605
	3,699,874	3,502,740

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

	2017 Number	2016 Number
£70,000 - £80,000	1	1

The Trustees did not receive any remuneration benefits or out of pocket expenses during the year (2016 - none).

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 £340,354 (2016 - £330,916).

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

Notes to the Financial Statements for the year ended **31 March 2017**

7. Tangible fixed assets

	Freehold land and buildings £	Leasehold land and buildings £	Motor vehicles £	Fixtures and equipment £	Total £
Cost					
At 1 April 2016	3,659,952	349,368	38,188	849,771	4,897,279
Additions	38,013	36,801	20,350	39,991	135,155
Disposals	-	-	-	-	-
At 31 March 2017	3,697,965	386,169	58,538	889,762	5,032,434
Depreciation					
At 1 April 2016	509,937	233,564	38,188	686,304	1,467,993
Charge for the year	120,511	43,467	5,088	80,213	249,279
On disposals	-	-	-	-	-
At 31 March 2017	630,448	277,031	43,276	766,517	1,717,272
Net book values					
At 31 March 2017	3,067,517	109,138	15,262	123,245	3,315,162
At 31 March 2016	3,150,015	115,804	-	163,467	3,429,286

Included above is £2,492,888 (2016 - £2,492,888) in respect of freehold land and buildings which has not been depreciated in accordance with the tangible fixed assets accounting policy.

8. Investments

	Listed investments £	Cash for reinvestment £	Total £
Valuation at 1 April 2016	98,333	5,062	103,395
Additions	105,845	(105,845)	-
Disposals	(113,318)	113,318	-
Gains on revaluation of Investments	12,047	987	13,034
Valuation at 31 March 2017	102,907	13,522	116,429

The historic cost of Investments at 31 March 2017 was £95,520 (2016 - £95,272).

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

9. Debtors

	2017 £	2016 £
Trade debtors	105,298	66,174
Other debtors	6,660	7,449
VAT recoverable	10,705	39,359
Prepayments	86,816	48,826
Accrued Income	1,117,601	686,644
	1,327,080	848,452

The above includes accrued income of £1,083,333 (2016 - £635,484) in respect of legacy income notified in the year.

10. Creditors: amounts falling due within one year

	2017 £	2016 £
Trade creditors	109,856	206,901
Taxes and social security costs	60,128	60,128
Other creditors	53,665	34,854
Accruals and deferred income (see deferred income below)	183,549	129,062
	407,198	430,945

Included within other creditors is an amount of £2,059 (2016 - £1,474) which relates to credit cards and is secured by way of a charge over freehold property.

Deferred income	2017 £	2016 £
At 1 April 2016	62,211	77,846
Amount released to income	(62,211)	(77,846)
Amount deferred in the year	117,432	62,211
At 31 March 2017	117,432	62,211

11. Financial Instruments

	2017 £	2016 £
Carrying value of financial assets		
Financial assets carried at amortised cost	1,597,763	1,572,622
Financial assets measured at fair value	116,429	103,395
Carrying value of financial liabilities		
Financial liabilities carried at amortised cost	347,070	370,817

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

Notes to the Financial Statements for the year ended **31 March 2017**

12. Unrestricted funds

	2017 £	2016 £
At 1 April 2016	4,077,906	4,141,766
Net Income/(expenditure) before other recognised gains and losses	81,910	(58,658)
Gains/(losses) on revaluation/disposal of Investments	13,034	(5,202)
Transfer of funds	18,255	-
At 31 March 2017	4,191,105	4,077,906

13. Restricted funds

	Balance at 1 April 2016 £	Income £	Expenditure £	Transfer of funds £	Balance at 31 March 2017 £
Endowment fund	18,255	-	-	(18,255)	-
Saint Michael's at Starbeck	330,564	-	(45,630)	-	284,934
IPU refurbishment	159,650	-	(30,900)	-	128,750
Department of Health Grant	16,079	-	(7,944)	-	8,135
Burton House	39,275	-	(10,719)	-	28,556
Crimple House renovation	2,631	-	(878)	-	1,753
Motor Neurone Disease Fund	7,486	-	(5,318)	-	2,168
Day Therapy refurbishment	5,381	-	(993)	-	4,388
IPU equipment	27,647	8,747	(9,766)	-	26,628
Macmillan	9,469	-	(9,469)	-	-
Just'B'	1,231	77,100	(78,331)	-	-
Volunteer visitors	41,591	20,300	(34,817)	-	27,074
End of life project lead	4,135	-	(4,135)	-	-
Mattress	12,370	-	(5,938)	-	6,432
On Call System	2,529	-	(1,485)	-	1,044
Other funds	6,344	50,381	(48,015)	-	8,710
	684,637	156,528	(294,338)	(18,255)	528,572

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

Notes to the Financial Statements for the year ended **31 March 2017**



13. Restricted funds (continued)

Fund	Purpose
Endowment	The transfer of funds from Restricted Endowment to Unrestricted relates to funds donated on the condition that they were used to start an Investment fund in securities to provide long term growth. While historically this has been included in Restricted funds, beyond the condition that the fund was used to purchase investments there was no ongoing restriction in their application. Accordingly, the Trustees are of the opinion that any conditions around the gift were duly discharged and there is no ongoing restriction in use. The donated funds have however remained in investments and now form part of a larger portfolio as disclosed in note 8.
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 Garfield Weston Foundation and The Rayne Foundation and Big Lottery Fund Grant.
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 Building Society and Sovereign Health Care Charitable Trust also made donations to the IPU.
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.
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, Garfield Weston Foundation and The Hedley Foundation provided funds towards the refurbishment of the treatment rooms in the Day Therapy Unit.

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

13. Restricted funds (continued)

Fund	Purpose
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.
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>During the year the Big Lottery Fund donated a further £10,000 towards the mental health and wellbeing counselling support service.</p> <p>BBC Children in Need have granted funding over three years to support the Senior Bereavement Support worker for Children & Young People.</p> <p>A Big Lottery Fund Grant supported the Just 'B' primary schools project.</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 a grant from Garfield Weston Foundation.</p>
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	<p>This comprises restricted funds with a balance carried forward of less than £3,000.</p> <p>This includes amounts given by two donors for the purchase of lymphoedema equipment and a grant from North Yorkshire County Council to train MHFA / ASIST Instructors.</p>

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

14. Financial commitments

At 31 March 2017 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 £	2017 Total £	Land and buildings £	Other operating leases £	2016 Total £
Due within one year	120,210	21,699	141,909	100,145	21,699	121,844
Due between two and five years	214,281	27,428	241,709	142,100	47,558	189,658
Due after five years	21,222	1,930	23,152	24,640	3,483	28,123
	355,713	51,057	406,770	266,885	72,740	339,625

15. Related party transactions

HDHC Enterprises Limited ("HDHCE") is related to the Hospice by way of common directors. Included within other debtors is £6,660 (2016 - £2,329) due from HDHCE. HDHCE generated profit in the year of £6,648 which was given to the Charity under a Deed of Covenant (2016 - £11,199).

16. Analysis of net assets between funds

Fund balances are represented by:

Fund balances at 31 March 2017	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	2,825,593	489,569	3,315,162
Investments	116,429	-	116,429
Current assets	1,656,281	39,003	1,695,284
Current liabilities	(407,198)	-	(407,198)
Total net assets	4,191,105	528,572	4,719,677
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

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

17. Capital commitments

At 31 March 2017 there were no capital commitments (2016 - £nil).

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

	2017	2016
	£	£
Net expenditure before gains on Investments	(55,900)	(126,992)
Investment Income	(7,755)	(6,033)
Gift In kind	(12,000)	-
Depreciation	249,279	225,725
Increase In debtors	(478,628)	(67,017)
(Decrease) / Increase In creditors	(23,747)	97,364
Net cash (outflow) / inflow from operating activities	(328,751)	123,047

Harrogate District Hospice Care Saint Michael's Hospice

Notes to the Financial Statements for the year ended 31 March 2017

19. Statement of Financial Activities (Including Income and Expenditure Account) for the year ended 31 March 2016

	Unrestricted funds £	Restricted funds £	2016 Total £
Income from:			
Donations and grants	868,365	269,293	1,137,658
Legacies	764,294	-	764,294
Income from other trading activities			
Fundraising activities	380,299	-	380,299
Sale of donated goods	828,952	-	828,952
Lottery Income	291,156	-	291,156
Deeds of covenant	11,199	-	11,199
Income from investments	6,033	-	6,033
	3,150,298	269,293	3,419,591
Income from charitable activities			
NHS funding	767,114	-	767,114
Hospital Income	231,645	-	231,645
Education and services	187,901	-	187,901
Motor Neurone Disease Association	-	2,600	2,600
	1,186,660	2,600	1,189,260
Other income	8,125	-	8,125
Total income	4,345,083	271,893	4,616,976
Expenditure on:			
Expenditure on raising funds			
Fundraising and publicity	571,749	-	571,749
Lottery expenditure	94,903	-	94,903
Cost of selling donated goods	484,971	-	484,971
	1,151,623	-	1,151,623
Expenditure on charitable activities			
Cost of providing hospice services	3,252,118	340,227	3,592,345
Total expenditure	4,403,741	340,227	4,743,968

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

Notes to the Financial Statements for the year ended 31 March 2017

19. Statement of Financial Activities (Including Income and Expenditure Account) for the year ended 31 March 2016 (continued)

	Unrestricted funds £	Restricted funds £	2016 Total £
Net expenditure before losses on Investments	(58,658)	(68,334)	(126,992)
Losses on revaluation of Investments	(5,202)	(877)	(6,079)
Net movement in funds	(63,860)	(69,211)	(133,071)
Total funds brought forward	4,141,766	753,848	4,895,614
Total funds carried forward	4,077,906	684,637	4,762,543