

Company registration No. 2016831 (England & Wales)

Charity No. 517738

Hospice of St. Mary of Furness

Company Limited by Guarantee

Trustees' Report and Consolidated Financial
Statements

For The Year Ended

31 March 2019

CHARITY COMMISSION
FIRST CONTACT

09 OCT 2019

ACCOUNTS
RECEIVED



HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

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HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2019

The trustees have pleasure in presenting their report and the financial statements of the group and charity for the year ended 31 March 2019. This report includes the requirements of a directors report as required by company law.

Reference and administrative details

Registered charity name	Hospice of St. Mary of Furness
Charity registration number	517738
Company registration number	2016831
Principal office	Ford Park Crescent Ulverston Cumbria United Kingdom LA12 7JP
Registered office	Ford Park Crescent Ulverston Cumbria United Kingdom LA12 7JP

The trustees

The trustees who served the charity during the period were as follows:

L Cavendish
R Clark
D Corp
K Gilbey
D Hardy
E Higham
G Jowett
G Servante
A James
R Bird
A Wren
K Wilson
A Luksza

Resignations:

E Higham – resigned 24th July 2018

A James- resigned 1st March 2019

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The directors

The directors who served the company during the period were as follows:

L Cavendish
R Clark
D Corp
K Gilbey
D Hardy
E Higham
G Jowett
G Servante
A James
R Bird
A Wren
K Wilson
A Luksza
V Stangoe

Resignations:

E Higham – resigned 24th July 2018

A James- resigned 1st March 2019

Secretary

S Lake

Principal staff members

V Stangoe – Hospice Chief Executive
Dr J Waddell – Senior Speciality Doctor of the Charity

Bankers

NatWest Bank Plc
P.O. Box 81
Elephant Yard
Kendal
Cumbria
LA9 4GS

Furness Building Society
51-55 Duke Street
Barrow-in-Furness
Cumbria
LA14 1RT

Nationwide Building Society
Kings Park Road
Moulton Park
Northampton
NN3 6NW

Solicitors

Bates Wells & Braithwaite London LLP
2-6 Cannon Street
London
EC4M 6YH

Progression Solicitors
11 Queen Street
Ulverston
Cumbria
LA12 7AF

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Auditor	MHA Moore and Smalley Priory Close St Mary's Gate Lancaster Lancashire LA1 1XB
Investment Managers	Sanlam Private Investments 55 Main Street Kirkby Lonsdale Cumbria LA6 2AH

Structure, governance and management

The full name of the charity is Hospice of St Mary of Furness, locally known as St Mary's Hospice. It is a company limited by guarantee, governed by its memorandum and articles of association. It exists for the charitable purpose of the relief of those in need by reason of ill-health. It is registered with The Charity Commission with number 517738 and Companies House with number 2016831.

Governance arrangements include a Board of 13 Trustees (2018-19) with experience from a wide range of backgrounds. Governance duties where appropriate are delegated to committees, such as Finance & Investment, Human Resources and Governance. In addition, a range of working groups exist. Some are permanent, e.g. Blue Sky Working Group, and some are Task and Finish Groups e.g. Recruitment and Retention. Membership of each group is determined by the Board.

Recruitment and appointment of trustees

New trustees are appointed through a process which starts with open advertising in local media and completes with formal interviews, against an understanding of the skill sets of present trustees. A minimum of six trustees is required by the articles of association while the board usually contains around 10 trustees. Trustees retire by rotation.

Trustee induction and training

Each new Trustee has a discussion with the Chairman and Vice-Chairman to confirm skills and commitment and to ensure they have a clear idea of the responsibilities of trustees at St Mary's Hospice.

An induction pack is given to each new trustee comprising of:

- The Governing Document
- Trustee Role Profile
- Latest Annual Accounts
- Recent Board Meeting Minutes
- Hospice Strategy Document
- Quality Account
- Hospice Trustee Induction document

In addition, new trustees are invited within their first few months to attend a half day training session "Role and Responsibilities of Trust Board Members" which is delivered in house. New Trustees are allocated a 'buddy' in the form of an experienced Trustee to help them orientate themselves to the organisation in a timely way.

The Chief Executive provides information to enable new trustees to understand and appreciate the roles of the senior management team. A private website section holds information useful to Trustees in general and hospice trustees specifically.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Organisational structure

The Board of Trustees is responsible for the governance of the Hospice while the day to day running is the responsibility of the Chief Executive and appointed managers with designated areas of responsibility. The current Strategic Plan is set to last for five years. This strategic direction then shapes the operational plan.

Risk management

The Trustees actively review major risks facing the charity at every Board and Board committee meeting and ensure that risk management strategies are in place and working effectively. Risks are identified in terms of potential impact and likelihood of occurrence with mitigating actions recorded for each area. Live risks are reviewed at each sub-Committee and Board meeting with all risks reviewed formally on an annual basis to ensure all registers are up to date.

Partnership working

The hospice collaborates at both a strategic and operational level to meet local need. For example, our Hospice at Home nurses work alongside District Nurses in the community to use resources effectively. In 2018-19 this included some in depth review meetings to consider how care could be better aligned and resources used more effectively.

External education is delivered in partnership with other health organisations to ensure messages are coherent and support robust operational pathways.

Collaborative work continues between the hospice and Furness General Hospital staff to provide easy and timely access to discharge home under the support of Hospice at Home or to a hospice bed depending on where patient needs can best be met. This supports the strategic aim of reducing pressure on hospital beds and ensuring patients can get home in a timely way. It is impossible from national statistics to tell if it is this work specifically that impacts on figures however we do know that locally deaths in hospital have reduced and deaths at home have increased.

The hospice also works with other local and national charities for example working with the Alzheimer's Society around provision for people with dementia locally.

Public benefit

St Mary's Hospice is available to anyone living in South Cumbria, aged over 18, who is referred with a life-shortening illness. No financial, religious or ethnic criteria are ever applied before patients are accepted into the service. The Trustees have complied with the duty in section 4 of the Charities Act 2006 with due regard to the public benefit guidance published by the Charity Commission.

Values

Caring – *doing everything with kindness and respect*

Aspiring – *learning, to do even better, to make even more of a difference*

Professional – *taking pride in what we do, working to the highest standards*

Sustainable – *playing an active role in creating a sustainable future*

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Objectives and activities

The objects of the charity as set out in its governing document are the relief of adults suffering from advanced, progressive incurable illness or any other physical or mental infirmity disability or disease in such ways as it shall see fit. Through:

- The expert care and support of adults with palliative and end of life needs;
- The provision of services to promote health and wellbeing for patients and carers;
- The care and support of family and friends who have been bereaved;
- Promoting the advancement of high-quality palliative and end of life care throughout the community.

For the period from 2019-2023 the charity set itself as its main short-term objectives and strategies to further the charities purpose:

- **GROWTH** - To meet increasing need by increasing the annual number of patients and families who are able to access high quality palliative and end of life care;
- **EMPOWER** - To provide education for health and social care professionals and the public about death, dying and grief so that more people can access the support they need and help provide support;
- **PARTNERSHIP** - To increase our overall impact by working in partnership with third sector, health and care organisations;
- **SUSTAINABILITY** - To increase the sustainability of the hospice over the next five years through increasing income, increasing volunteers to support all areas and maintaining staff numbers. This to secure the future of hospice care for the community by maintaining excellent operational and financial performance and achieving financial balance

The charity's current significant activities, which contribute to the achievement of these stated objectives and its ultimate purpose, can be summarised as:

- 9 in-patient beds at the hospice in Ulverston;
- A "Hospice at Home" service which provides 24-hour cover across Furness and a large part of South Lakes. This service working closely with both Furness General Hospital and local community services;
- Outpatient facilities for those requiring medical consultation, nursing assistance, therapy or a supportive environment whilst remaining in their own homes;
- A range of therapeutic activities including 6 week Living Well programme teaching self-care management skills to patients, both seated and standing adapted tai chi and complementary therapies;
- Bereavement and Family support, including signposting to specialist children's services, provided as part of our comprehensive family support activities;
- St Mary's Living Well Centre in Barrow which works collaboratively with partners in third sector, health and council to deliver services to people living with advancing illness and their carers in such a way as to improve their quality of life;
- Community Neighbours - a volunteer service supporting people in their own homes.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

We also provide:

- 24-hour telephone advisory service, available to clinicians seeking specialised advice;
- Placements for undergraduate and postgraduate medical, nursing and social work students on rotation in palliative medicine and palliative care;
- A range of supportive services for carers;
- A link to 'Drop-in' groups in our communities of Barrow, Ulverston and Grange-over-Sands. These are self-managing groups providing support to people with advanced illness, to carers and the bereaved;
- Professional palliative care education for the wider health and social care workforce.

St Mary's Hospice is required to register with the Care Quality Commission and is registered to carry out the regulated activities:

- Treatment of disease, disorder or injury.
- Diagnostic and screening processes.

St Mary's Hospice has the following conditions on registration:

- Only treat people over 18 years old.
- Only accommodate a maximum of 9 in-patients.

The Care Quality Commission last inspected St Mary's Hospice in June 2016 it declared all aspects to be GOOD and in compliance with CQC regulation and guidance. Since that point CQC have moved hospices from the Social Care to the Health part of the register and we are currently awaiting a first inspection under this move.

St Mary's Hospice is a voluntary organisation and, as such, volunteers are at the heart of our work. Volunteers perform roles in both fundraising and caring activities and around 330 volunteers provide a contribution of around £600,000 per year to the organisation. St Mary's Hospice is deeply grateful to all our volunteers. The hospice continues to attract new volunteers and to identify new ways in which volunteers can help us.

Strategic Report

Achievements and performance

Grants from the local NHS continue although there has been no uplift to the current grant income for several years now despite evidence that work to collaborate with others has reduced admissions and facilitated discharges.

Our professional education programme, part of a cross organisational collaboration, is at present focused on delivering education against a contract to 'Train the Trainers'. This programme is being well attended with trained staff working to implement further training within their own work areas. We have also won two bids to deliver continued training for general healthcare staff and to deliver new education to ambulance personnel.

In 2019-20 the hospice will be ending the pieces of research work continuing since 2017 by publishing a book to share evidence of the level of benefit our services provide and where those benefits are focused.

Both the research and our satisfaction surveys indicate that there is high satisfaction from those using our services and have been able to provide information which has then been used to focus improvements.

Data on the use of our services in 2018-19 is set out on the following page:

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

In-Patient Unit

Total Admissions	181
Primary Diagnosis: Cancer	129 (71%)
Primary Diagnosis: Non-cancer	53 (29%)
Bed Occupancy	65%
Nurses WTE	9.2 RN and 9.5 HCA

Hospice @ Home Activities

All Patients	314
Primary Diagnosis: Cancer	228 (73%)
Primary Diagnosis: Non- Cancer	86 (27%)
Night Sits	456
Deaths at home	161 of which 99% stayed at home until death
Nurses WTE	3.5 RN and 6.4 HCA

Day Hospice and Group Therapies

Day Services: All patients	177
Of these patients:	
Living Well Afternoon (new patients)	18
Primary diagnosis: Cancer	8 (40%)
Primary diagnosis: Non-cancer	10 (50%)
Attending 6 week Living Well Programme	
Living Well Programme (excl. carers)	57
Primary diagnosis: Cancer	27 (38%)
Primary diagnosis: Non-cancer	30 (42%)
Family carers	13
Tai Chi:	
New attendees	34
Retreat Day attendees	48
Move More and Relax attendees	7

Family Support Services

Referrals	576
On-going case-load for one-to-one sessions	188

Complimentary Therapy

Complementary therapy one-to-one referrals	129
Primary diagnosis: Cancer	62 (48%)
Primary diagnosis: Non- cancer	67 (52%)
Cancer/ Non-Cancer ratio across all hospice services:	54% / 40%

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The statistics above demonstrate several changes in strategic direction in the care provided:

- More care is now delivered in people's own homes. This is in response to studies such as those by the Kings Fund which states that two thirds of people at the end of their life would prefer to be cared for at home and also to local patient wishes.
- The Hospice is reaching out to more people living with non-cancer conditions to ensure access to palliative care is equitable.
- The Hospice continues to expand its own Living Well services and to support delivery of wellbeing services from others in the new Living well Centre. This is done to offer supportive care earlier in an individual's disease to help people stay independent and increase their quality of life.
- In order to use the relatively small resources of the Hospice wisely an increasing amount of care is delivered in groups, such as Living Well group, rather than in one-to-one situations as this allows for more people to benefit from care. Group work in communities also offers the added benefit of strengthening links between individuals across the community.

Orangery Café

The Orangery café is situated in the conservatory of the Hospice. It has an outdoor terrace with fantastic views across our gardens to Morecambe Bay. A wholly owned subsidiary of the Hospice, it is staffed primarily by volunteers and provides a delightful place for Hospice visitors and members of the public to enjoy home cooked lunches, drinks, cakes and afternoon tea.

Following the refurbishment of the Orangery in March 2018, it has gone from strength to strength, with turnover increasing by over 50% in the year. The Orangery provides a vital source of sustainable profit which directly benefits our patients and their loved ones.

Financial review

The charity operated at a small planned deficit of £142,039 in 2018-19, with continued development and growth in services made possible following several years of sustained surpluses. Although an overdraft facility was in place, it was not utilised during the period under review.

Retail saw an increase in income of 16% on the previous year. Our 7 retail outlets are staffed with a mixture of part-time employed managers and volunteers. The retail team has expanded in order to sustain the growth in on-line sales, which have more than doubled in the year.

Fundraising, community involvement, lottery and trading continue to develop and adapt to changing and increasingly challenging economic conditions, with income increasing by 8% on prior year.

The fundraising team continue to offer new and exciting ways to engage with the local community including our well attended "Walk to Remember", and have developed new events making use of local geography such as 'Skiddaw at night' and 'Cross bay Walk'.

Our decision to no longer take cash players for our lottery did result in a loss of players, but our canvassing programme has continued to perform well and ensure that overall lottery income remained stable.

Legacies were £433k in the year, a drop on the previous year of 25%.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

The charity maintained its investments with the charity's investment managers, Sanlam Private Wealth, who manage a mixed portfolio with the objective of generating a return in excess of inflation over the long term whilst generating income to support the ongoing activities of the charity. Investments performed well in the year with a growth of 4.5%

Total income for the year was £3.2 million, of which 41% came from voluntary sources, £340,961 from a lottery which associated costs of £197,061 and an allocation of internal payroll costs of £12,090, and £554,603 from the operation of charity shops, with costs of £388,274.

Reserves policy

Since St Mary's Hospice is a charity, income is potentially vulnerable because of a heavy reliance on voluntary funding, and grant funding which may be impacted by future changes in the NHS commissioning process. The charity is currently operating at a small deficit, and plans to reach breakeven within the next four years. To ensure services for families and patients can continue, and in order to exercise a duty of care to our staff, the board have agreed to endeavour to maintain reserves at a level of all expected losses until breakeven plus six months of planned expenditure. At the end of the financial year in question free reserves (unrestricted funds less designated funds) were £2,734,763, which represents approximately 9 months running costs based on budgeted expenditure for 2019/20 of £3.5m. Restricted funds were £61,394 and the trustees had designated £2,356,566 of funds which represents amounts either tied up in fixed assets or set aside for specific purposes as detailed in note 20.

Fair review of business

The fair review of the business as required under the strategic report is covered under objectives and activities.

Plans for future periods

Plans for improvement across the next 12 months include:

- To continue to drive the development of the St Mary's Living well Centre in Barrow. The varied timetable of activity from both ourselves and partner organisations in this building continues to grow and to attract new attendees. Around 11 partner organisations work out of the building with us and the building has a foot fall of around 250 people monthly and rising.
- Grant funding this year will support continuation of our Make do and Mend programme for people who have been bereaved and also craft groups for this group. This supports family members in their grieving process reducing negative impacts on them.
- Continuing to increase access to Hospice at Home to allow for death at home where wanted and possible

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Principal Risks and Uncertainties

Clinical risks

The main clinical risk for the hospital is the difficulty in recruitment and retention of medical staff who provide the daily medical cover on the in-patient unit. This is due to a national shortage of medical staff reflected locally by the number of GP and hospital medical posts which are unfilled. There is also an increasing complexity in the patients we deal with which puts added pressure on our medical team.

There is also an increasing risk of unavailability of local nursing staff linked to a national shortage and many local roles unfilled:

Steps being taken by the Hospice to mitigate this are:

- Increasing use of our own medical staff out of hours to benefit patient care;
- Looking for funding to support development of a third Advanced Nurse Practitioner;
- Ensuring a robust development programme for nursing staff to make posts appealing and increase their skills.

Financial risks

The main financial risks for the Hospice are:

- Changes to NHS commissioning processes with the potential introduction of competition.
- Reduction in available NHS funding.
- Failure to increase of NHS funding despite increasing costs of service delivery
- A heavy reliance on charitable funding in a time of financial instability in many households.

Steps being taken by the Hospice to mitigate these are:

- Working closely with commissioners to ensure the services we provide are those which fulfil identified local need.
- Utilising a broad range of income generation methods including expanding our businesses.

Demographic change

A newly emerging risk on the horizon is the change to national demographics over the next 20 years. In Morecambe Bay this indicates a growth over that period of 47,000 people of whom 19,000 will be over 85.

Trustees' responsibilities statement

The trustees (who are also the directors of Hospice of St. Mary of Furness for the purposes of company law) are responsible for preparing the Trustees Annual Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors 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.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Trustees' responsibilities statement (continued)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and accounting 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 company will continue in operation.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as each of the directors of the charitable company at the date of approval of this report is aware there is no relevant audit information (information needed by the company's auditors in connection with preparing the audit/report) of which the company's auditors are unaware. Each director has taken all of the steps that he/she should have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

MHA Moore and Smalley have indicated their willingness to be reappointed as statutory auditors.

Approval was given by the trustees for this report (which incorporates the strategic report, which was approved by the trustees in their capacity as directors) and is signed on the board's behalf by

G Jowett
Trustee



24 September 2019

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HOSPICE OF ST. MARY OF FURNESS

FOR THE YEAR ENDED 31 MARCH 2019

Opinion

We have audited the financial statements of Hospice of St. Mary of Furness (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2019 which comprise of the consolidated and charity Statement of Financial Position, consolidated and charity Balance Sheet, consolidated and charity Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2019, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HOSPICE OF ST. MARY OF FURNESS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2019

Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 12, 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF HOSPICE OF ST. MARY OF FURNESS (CONTINUED)

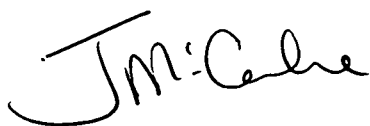
FOR THE YEAR ENDED 31 MARCH 2019

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Jenny McCabe

Senior Statutory Auditor

For and on behalf of

MHA Moore and Smalley

Chartered Accountants and Statutory Auditor

Priory Close

St Mary's Gate

Lancaster

LA1 1XB

26th September 2019

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted funds £	Restricted funds £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	3	1,202,832	106,957	1,309,789	1,355,031
Charitable activities	4	604,416	-	604,416	615,381
Other trading activities	5	1,122,756	5,000	1,127,756	999,976
Investments	6	39,584	-	39,584	10,152
Other	7	76,110	3,080	79,190	63,707
Total		3,045,698	115,037	3,160,735	3,044,247
Expenditure on:					
Charitable activities	8	2,436,871	60,196	2,497,067	2,403,739
Raising funds	9	818,890	12,996	831,886	803,724
Total		3,255,761	73,192	3,328,953	3,207,463
Net (expenditure)/income before other gains/(losses)		(210,063)	41,845	(168,218)	(163,216)
Net gain/(loss) on investments		26,179	-	26,179	(3,132)
Net (expenditure)/income before transfers		(183,884)	41,845	(142,039)	(166,348)
Transfer between funds	11	127,898	(127,898)	-	-
Net movement in funds		(55,986)	(86,053)	(142,039)	(166,348)
Reconciliation of funds:					
Total funds brought forward		5,147,315	147,447	5,294,762	5,461,110
Total funds carried forward		5,091,329	61,394	5,152,723	5,294,762

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 21 to 40 form part of these financial statements.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

CHARITY STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE ACCOUNT)

FOR THE YEAR ENDED 31 MARCH 2019

		Unrestricted funds £	Restricted funds £	Total funds 2019 £	Total funds 2018 £
Income from:					
Donations and legacies	3	1,202,832	106,957	1,309,789	1,355,031
Charitable activities	4	604,416	-	604,416	615,381
Other trading activities	5	983,224	5,000	988,224	907,522
Investments	6	39,584	-	39,584	10,152
Other	7	83,610	3,080	86,690	71,207
Total		2,913,666	115,037	3,028,703	2,959,293
Expenditure on:					
Charitable activities	8	2,436,871	60,196	2,497,067	2,403,739
Raising funds	9	713,535	12,996	726,531	721,716
Total		3,150,406	73,192	3,223,598	3,125,455
Net (expenditure)/income before other gains/(losses)		(236,740)	41,845	(194,895)	(166,162)
Net gain/(loss) on investments		26,179	-	26,179	(3,132)
Net (expenditure)/income before transfers		(210,561)	41,845	(168,716)	(169,294)
Transfer between funds	11	127,898	(127,898)	-	-
Net movement in funds		(82,663)	(86,053)	(168,716)	(169,294)
Reconciliation of funds:					
Total funds brought forward		5,143,667	147,447	5,291,114	5,460,408
Total funds carried forward		5,061,004	61,394	5,122,398	5,291,114

The Statement of Financial Activities includes all recognised gains and losses in the year.

All of the above amounts relate to continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 21 to 40 form part of these financial statements.

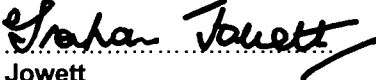
HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2019

		2019	2018
		£	£
Fixed assets			
Tangible assets	13	2,317,585	2,224,047
Investments	14	1,045,910	997,783
		<u>3,363,495</u>	<u>3,221,830</u>
Current assets			
Stock	15	10,126	5,282
Debtors	16	214,086	159,460
Cash at bank and in hand		1,791,582	2,187,248
		<u>2,015,794</u>	<u>2,351,990</u>
Creditors: amounts falling due within one year	17	(226,566)	(279,058)
		<u>1,789,228</u>	<u>2,072,932</u>
Net current assets			
		<u>5,152,723</u>	<u>5,294,762</u>
Total assets less current liabilities			
		<u>5,152,723</u>	<u>5,294,762</u>
Net assets			
		<u>5,152,723</u>	<u>5,294,762</u>
Funds:			
Restricted funds	19	61,394	147,447
Unrestricted funds	21	5,091,329	5,147,315
		<u>5,152,723</u>	<u>5,294,762</u>
Total funds			
		<u>5,152,723</u>	<u>5,294,762</u>

These accounts were approved by the members of the committee and authorised for issue on the 24/09/2019 and are signed on their behalf by:


G Jowett
Trustee

Company Registration Number: 2016831

The notes on pages 21 to 40 form part of these financial statements.

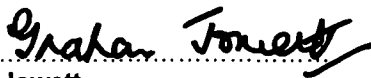
HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

CHARITY BALANCE SHEET

AS AT 31 MARCH 2019

		2019		2018
		£	£	£
Fixed assets				
Tangible assets	13	2,317,500		2,223,876
Investments	14	1,045,913		997,786
		3,363,413		3,221,662
Current assets				
Stock	15	8,993		4,370
Debtors	16	229,431		169,654
Cash at bank and in hand		1,737,766		2,168,272
		1,976,190		2,342,296
Creditors: amounts falling due within one year	17	(217,205)		(272,844)
Net current assets		1,758,985		2,069,452
Total assets less current liabilities		5,122,398		5,291,114
Net assets		5,122,398		5,291,114
Funds:				
Restricted funds	19	61,394		147,447
Unrestricted funds	21	5,061,004		5,143,667
Total funds		5,122,398		5,291,114

These accounts were approved by the members of the committee and authorised for issue on the 24/04/2019 and are signed on their behalf by:


 G Jowett
 Trustee

Company Registration Number: 2016831

The notes on pages 21 to 40 form part of these financial statements.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED AND CHARITY CASH FLOW STATEMENTS

AS AT 31 MARCH 2019

	Group 2019 Total £	Group 2018 Total £	Charity 2019 Total £	Charity 2018 Total £
Cash (spent) / generated in operating activities	(207,570)	63,880	(242,409)	62,803
Cashflows from investing activities				
Investment income	39,584	10,152	39,584	10,152
Purchase of tangible fixed assets (including investments)	(658,556)	(605,422)	(658,557)	(605,422)
Receipts from sale of fixed assets	-	5,877	-	5,877
Cash (used in)/provided by investing activities	(826,542)	(525,513)	(861,382)	(526,590)
(Decrease)/Increase in cash and cash equivalents in the year	(826,542)	(525,513)	(861,382)	(526,590)
Cash and cash equivalents b/fwd	2,643,512	3,169,025	2,624,536	3,151,126
Cash and cash equivalents c/fwd	1,816,970	2,643,512	1,763,154	2,624,536
Reconciliation of net movement in funds to net cashflow from operating activities				
Net movement in funds	(142,039)	(166,348)	(168,716)	(169,294)
Investment income received	(39,584)	(10,152)	(39,584)	(10,152)
Depreciation	112,194	117,460	112,109	117,374
(Increase)/Decrease in stock	(4,844)	(11)	(4,623)	(156)
(Increase)/Decrease in debtors	(54,626)	51,377	(59,777)	53,373
Increase/(Decrease) in creditors	(52,492)	70,606	(55,639)	70,710
Profit on disposal of fixed assets	-	(2,184)	-	(2,184)
(Gain)/ Loss on revaluation of investments	(26,179)	3,132	(26,179)	3,132
Net cash generated in operating activities	(207,570)	63,880	(242,409)	62,803
Components of cash and cash equivalents				
Cash at bank and in hand	1,791,582	2,187,248	1,737,766	2,168,272
Cash held at investment brokers	25,388	456,264	25,388	456,264
	1,816,970	2,643,512	1,763,154	2,624,536

The notes on pages 21 to 40 form part of these financial statements.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies

Legal form

Hospice of St. Mary of Furness is a registered charity and a limited company, limited by guarantee, as defined by the Companies Act 2006, incorporated in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The registered office of the charity, the nature of its operations and its principal activities are all detailed in the Trustees' report of these financial statements.

Basis of preparation

Hospice of St. Mary of Furness meets the definition of a public benefit entity under FRS102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts are rounded to the nearest £.

The financial statements have been prepared on a going concern basis under the historical cost convention. The particular accounting policies adopted by the trustees are described below. These policies have been consistently applied to all years presented unless otherwise stated.

The consolidated accounts of the group incorporate the accounts Hospice of St. Mary of Furness ("the Charity") and its wholly owned subsidiary, St Mary's Orangery Limited. The results of the subsidiary are consolidated on a line by line basis.

Preparation of the accounts on a going concern basis

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

Income

Income including donations and gifts receivable is credited to the Statement of Financial Activities when the charity is legally entitled to the funds after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Legacies are regarded as receivable once probate has been granted, there is sufficient evidence regarding the certainty of the receipt and there is a sufficiently reliable measurement of the amount in accordance with the recognition criteria of the SORP. In practice this is rarely before the receipt of a letter advising of an intended payment or transfer. Interim receipts are treated as being receivable on receipt. Where legacies have been notified to the charity, or the charity is aware of 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 in note 3.

Funding received in advance including grants are treated as deferred income where the funding agency requires an ongoing service to be provided by expenditure in the future period to which the funding relates.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (continued)

Gifts donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. Where estimating the fair value is practicable upon receipt it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impracticable to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends and interest and is included when the amount can be reliably measured.

Expenditure

All expenditure is accounted for on an accruals basis in the expense categories required by the SORP. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Costs are further allocated between the activities undertaken on a basis consistent with the use of the resources. Expenditure includes irrecoverable VAT.

Charitable expenditure includes costs incurred in the delivery of the charities activities and services. It includes both direct costs, including staff costs, that are incurred in the delivery of the activities and services and indirect costs which are required to support the delivery of the charitable objects.

Costs of raising funds include those costs in relation to the charity's operations which are used to generate further income which is integral to the charity in meeting its charitable objectives.

Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

Redundancy costs are expensed when the liability for payment of such costs is incurred.

Donated services and facilities

Donated 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 is probable and that economic benefit can be reliably measured. In accordance with SORP (FRS 102) no amounts are included in the financial statements for services donated by volunteers.

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 then recognised in expenditure on period of receipt.

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Investments are subsequently stated at fair value if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments, such as the investment in the subsidiary, are measured at cost less impairment. The SOFA included the net gains and losses arising on revaluations and disposals throughout the year.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (continued)

Fixed assets

All fixed assets are initially recorded at cost. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Equipment	-	25% reducing balance
Motor vehicles	-	20% straight line
Leasehold property	-	10% straight line

No depreciation is charged on freehold land.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items and a FIFO cost formula is used. Donated stocks are not valued in the accounts due to the undue cost of calculating such amounts against any benefit of recognising such amounts.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Cash and cash equivalents

Cash is a basic financial asset and includes cash in hand and deposits held on call with banks and investment managers.

Fund accounting

Unrestricted funds

General funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the charity.

Designated funds

Designated funds are unrestricted funds set aside by the Trustees for particular purposes.

Restricted funds

Restricted funds arise where there is a donor imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specified purpose. Transfers are made from Restricted to Unrestricted funds when the expenditure has been fully made in accordance with the objects of the fund.

Operating lease agreements

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

Pensions

The Hospice operates two pension schemes; certain eligible employees are members of the NHS defined benefit scheme and others are members of a defined contribution pension scheme. The pension charge represents the amounts payable by the charity to the funds in respect of the current year.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (continued)

Taxation

HM Revenue & Customs considers the Hospice of St Mary of Furness to be a charity and therefore they are entitled to exemption from tax afforded by Sections 478-489 of the Corporation Taxes Act 2010 to the extent that income is applied exclusively for charitable purposes.

Financial instruments

The Charity 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.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets 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 statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed.

De-recognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

1 Accounting policies (continued)

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the opinion of the Trustees' there have been no significant judgements made in the process of applying the above accounting policies. There have been no key assumptions concerning future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

3 Income from donations and legacies

Group and charity	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Direct donations	501,300	2,500	503,800	415,332
Legacies	432,965	-	432,965	577,623
Bereavement contributions	136,721	-	136,721	122,180
Payroll deductions	1,835	-	1,835	1,100
Charitable trusts	97,758	3,297	101,055	72,616
Gift Aid	32,253	-	32,253	21,268
Grants	-	101,160	101,160	144,912
	1,202,832	106,957	1,309,789	1,355,031

At the year end, the Trustees had been notified of legacies approximating £33,907 which did not meet the criteria for inclusion in these financial statements under SORP (FRS 102) which is further explained in the accounting policies on page 21.

4 Income from charitable activities

Group and charity	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Grants and core fundings	604,416	-	604,416	615,381
	604,416	-	604,416	615,381

Grant funding relates to the provision of core services at the Hospice. There are no unfulfilled conditions or other contingencies attached to the income recognised.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

5 Income from trading activities

Group	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Lottery gross income	340,961	-	340,961	353,288
Charity trading income	554,603	-	554,603	476,440
Fundraising events	87,332	5,000	92,332	77,794
Catering	139,860	-	139,860	92,454
	1,122,756	5,000	1,127,756	999,976

Charity	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Lottery gross income	340,961	-	340,961	353,288
Charity trading income	554,603	-	554,603	476,440
Fundraising events	87,332	5,000	92,332	77,794
Catering	328	-	328	-
	983,224	5,000	988,224	907,522

6 Income from investments

Group and charity	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Bank and investment interest receivable	39,584	-	39,584	10,152
	39,584	-	39,584	10,152

7 Other income

Group	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Support groups	21,967	-	21,967	15,235
Recycling income	14,253	-	14,253	12,231
Other incoming resources	39,890	3,080	42,970	36,241
	76,110	3,080	79,190	63,707

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

7 Other income (continued)

Charity	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Support groups	21,967	-	21,967	15,235
Recycling income	14,253	-	14,253	12,231
Other incoming resources	47,390	3,080	50,470	43,741
	83,610	3,080	86,690	71,207

8 Expenditure on charitable activities

Group and Charity	Provision of Hospice and other related services			
Activity	Unrestricted £	Restricted £	Total 2019 £	Total 2018 £
Wages and salaries	1,893,950	45,843	1,939,793	1,826,403
Depreciation	112,109	-	112,109	117,374
Equipment and repairs	58,769	1,936	60,705	59,009
Catering	20,315	2,951	23,266	21,958
Premises costs	73,684	5,698	79,382	94,306
Office costs	99,059	1,320	100,379	88,541
Travel	22,392	759	23,151	16,482
Bank charges	11,131	-	11,131	11,908
Other	127,182	1,689	128,871	120,093
Audit fees	6,850	-	6,850	5,705
Legal and professional fees	11,430	-	11,430	44,144
Profit on disposals of fixed assets			-	(2,184)
	2,436,871	60,196	2,497,067	2,403,739

9 Expenditure on raising funds

Group	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fundraising costs	132,534	8,663	141,197	108,088
Shop costs	383,940	4,333	388,273	400,851
Lottery costs	197,061	-	197,061	212,777
Catering costs	103,736	-	103,736	80,359
Audit fees	1,533	-	1,533	1,563
Depreciation	86	-	86	86
	818,890	12,996	831,886	803,724

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

9 Expenditure on raising funds (continued)

Charity	Unrestricted funds £	Restricted funds £	Total 2019 £	Total 2018 £
Fundraising costs	132,534	8,663	141,197	108,088
Shop costs	383,940	4,333	388,273	400,851
Lottery costs	197,061	-	197,061	212,777
	713,535	12,996	726,531	721,716

10 Net income/expenditure

	2019 £	2018 £
Net income is stated after charging:		
Group		
Operating lease rentals	99,193	116,839
Staff pension contributions	115,968	97,387
Payment to Directors for services as Hospice Chief Exec	66,145	65,166
Auditors' remuneration		
- audit of the financial statements	8,383	7,268
Depreciation of tangible assets		
- owned by the charity	112,195	117,460
Charity		
Operating lease rentals	96,961	114,607
Staff pension contributions	114,816	96,615
Payment to Directors for services as Hospice Chief Exec	66,145	65,166
Auditors' remuneration		
- audit of the financial statements	6,850	5,705
Depreciation of tangible assets		
- owned by the charity	112,109	117,374

Included within payments to Directors for services as Hospice Chief Executive are £4,327 (2018: £4,263) in defined pension contributions.

11 Fund transfers

During the year certain restricted fund balances were transferred to unrestricted funds as they had been used in full in line with requirements by the funder to purchase tangible fixed assets for general use by the charity. Further transfers have been made into restricted funds where expenditure on a particular project exceeded restricted income, where these funds are now fully utilised.

Further details of transfers are included within note 19.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

12 Analysis of staff costs, trustee remuneration and the cost of key management personnel

Total staff costs were as follows:	2019 £	2018 £
Wages and salaries	1,985,521	1,870,479
Social security costs	146,432	136,599
Pension costs	115,968	97,387
	2,247,921	2,104,465

Particulars of employees:

The average number of employees during the year, calculated on the basis of full-time equivalents, was as follows:

	2019 No	2018 No
Number of nursing and care services staff	56	56
Number of fundraising and administration staff	37	36
	93	92

The total head count staff numbers for the year were 69 (2018: 69) for clinical staff and 49 (2018: 48) for non clinical staff.

The number of employees whose remuneration for the year fell within the following bands were:

	2019 No	2018 No
£60,000 - £69,999	2	2

Certain employees with emoluments above £60,000 received contributions totalling £7,008 (2018: £6,875) to a money purchase pension scheme.

No remuneration or expenses were paid to any of the Trustees in the current or prior year.

The number of directors for whom retirement benefits are accruing under money purchase schemes amounts to 1 (2018: 1).

The total amount of employee benefits received by key management personnel, as determined by the charity, is £363,489 (2018: £356,071) during the current period.

During the year the charity made redundancy and ill health severance payments totalling £11,333 (2018: £10,776).

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

12 Analysis of staff costs, trustee remuneration and the cost of key management personnel (continued)

The Hospice participates in the NHS pension scheme which is a defined benefit scheme whose membership consists of employees of the NHS and related bodies.

The scheme operates as a pooled arrangement, with contributions for eligible staff paid at a centrally agreed rate. As a consequence of this, no share of the underlying asset and liabilities can be directly attributable to the Hospice under the terms of FRS 17, 'Retirement Benefits'. In these circumstances, contributions are accounted for as if the scheme were a defined contribution scheme, based on actual contributions paid through the year.

The Hospice also operates a defined contribution pension scheme. The contributions paid into these two schemes in respect of eligible employees for the year ended 31 March 2019 amounted to £115,968 (2018: £97,387).

13 Tangible fixed assets

Group	Land and Buildings £	Equipment £	Motor Vehicles £	Totals £
Cost				
At 1 April 2018	2,980,570	926,522	67,529	3,974,621
Additions	166,947	38,785	-	205,732
Disposals				-
At 31 March 2019	3,147,517	965,307	67,529	4,180,353
Depreciation				
At 1 April 2018	848,864	858,025	43,685	1,750,574
Charge for the year	65,030	41,203	5,961	112,194
Eliminated on disposals				-
At 31 March 2019	913,894	899,228	49,646	1,862,768
Net book value				
At 31 March 2019	2,233,623	66,079	17,883	2,317,585
At 1 April 2018	2,131,706	68,497	23,844	2,224,047

Included within Land and Buildings are assets with a total cost of £166,947 (2018: £nil) and a net book value of £161,528 (2018: £nil) which relate to leasehold property. The balance of this asset class relates to freehold property.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

13 Tangible fixed assets (continued)

Charity	Land and Buildings £	Equipment £	Motor Vehicles £	Totals £
Cost				
At 1 April 2018	2,980,570	926,179	65,191	3,971,940
Additions	166,947	38,785	-	205,732
Disposals				-
At 31 March 2019	3,147,517	964,964	65,191	4,177,672
Depreciation				
At 1 April 2018	848,864	857,853	41,347	1,748,064
Charge for the year	65,030	41,117	5,961	112,108
Eliminated on disposals				-
At 31 March 2019	913,894	898,970	47,308	1,860,172
Net book value				
At 31 March 2019	2,233,623	65,994	17,883	2,317,500
At 1 April 2018	2,131,706	68,326	23,844	2,223,876

Included within Land and Buildings are assets with a total cost of £166,947 (2018: £nil) and a net book value of £161,528 (2018: £nil) which relate to leasehold property. The balance of this asset class relates to freehold property.

14 Investments

Group	2019 £	2018 £
Other investments at valuation		
Balance brought forward	541,519	10
Acquisitions at cost	452,824	544,641
Unrealised gains/(losses) on sale of investments	26,179	(3,132)
Cash held as part of investment portfolio	25,388	456,264
Total investments at 31 March 2019	1,045,910	997,783

Total investments comprise of the following types of investments;

UK listed equities & fixed interest securities	451,664	224,858
Overseas listed equities & fixed interest securities	368,862	155,034
Property and alternative investments	199,996	161,627
Cash held as part of investment portfolio	25,388	456,264
	1,045,910	997,783

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

14 Investments (continued)

Charity	2019 £	2018 £
Investment in subsidiary undertakings		
3 shares in St Mary's Orangery Limited	3	3
Other investments		
Balance brought forward	541,519	10
Acquisitions at cost	452,824	544,641
Unrealised gains/(losses) on sale of investments	26,179	(3,132)
Cash held as part of investment portfolio	25,388	456,264
Total investments at 31 March 2019	1,045,913	997,786

Total investments comprise of the following types of investments;

UK listed equities & fixed interest securities	451,664	224,858
Overseas listed equities & fixed interest securities	368,862	155,034
Property and alternative investments	199,996	161,627
Cash held as part of investment portfolio	25,388	456,264
Investments in subsidiary undertakings	3	3
	1,045,913	997,786

Investment in subsidiary undertakings

The subsidiary company is incorporated in England and Wales (company number 03052962) with an issued share capital of 3 ordinary shares of £1 each which are wholly owned by the charity. The details of the subsidiary and the results for the year are as follows:

St Mary's Orangery Limited	2019 £	2018 £
Turnover	139,533	92,454
Cost of sales and other direct costs	(42,447)	(32,526)
Gross profit	97,086	59,928
Administrative expenses	(66,760)	(56,982)
	30,326	2,946
Net assets	30,329	3,651

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

15 Stock

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Stock	10,126	5,282	8,993	4,370

16 Debtors

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Other debtors	60,988	58,622	76,333	68,816
Prepayments and accrued income	153,098	100,838	153,098	100,838
	214,086	159,460	229,431	169,654

17 Creditors: Amounts falling due within one year

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade creditors	38,304	40,785	35,707	39,212
Taxation and social security	43,194	40,409	37,930	37,268
Other creditors	5,353	6,378	5,353	6,378
Accruals and deferred income	139,715	191,486	138,215	189,986
	226,566	279,058	217,205	272,844

Deferred income	2019 £	2018 £
Balance brought forward	86,323	45,750
Lottery income received in advance	54,746	50,959
Grants received in advance	15,642	35,364
Release of deferred income	(86,323)	(45,750)
	70,388	86,323

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

18 Commitments under operating leases

As at 31 March 2019 the group and charity had commitments under non-cancellable operating leases as set out below:

Group and Charity	2019 Land and Buildings £	2019 Other items £	2018 Land and Buildings £	2018 Other items £
Within 1 year	99,338	1,092	102,578	2,184
Within 2 to 5 years	28,525	-	95,575	1,092
	127,863	1,092	198,153	3,276

19 Restricted income funds: Current year

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	At 31 March 2019 £
Restricted funds					
6 Steps Project	7,773	-	-	-	7,773
Town Lands Trust	1,049	-	(748)	-	301
Sheila Werry CT fund	135	-	(123)	-	12
BAE Positive Living Programme	1,912	-	(1,912)	-	-
John Fisher Foundation	122,000	-	-	(122,000)	-
Orsted Living Well Fund	(636)	18,104	(19,212)	-	(1,744)
Ulverston Townlands Trust	1,018	-	(884)	(134)	-
Zurich Pre-Bereavement Support	1,531	-	(1,256)	-	275
BAE Duke St Chair fund	3,000	-	-	(3,000)	-
ACP Train the Trainer	4,693	18,339	(23,032)	-	-
Leven Valley Support Fund	1,672	-	-	(1,672)	-
Orsted T Shirt Fund	3,300	-	(3,300)	-	-
Domiciliary Massage	-	3,783	(2,464)	-	1,319
Make Do and Mend	-	1,080	(8,501)	-	(7,421)
Orsted W2R Sponsorship	-	5,000	(4,994)	(6)	-
NWAS Paramedic Project	-	7,933	(1,915)	-	6,018
Medical & Clinical Equipment	-	500	(500)	-	-
M&S Fundraising Refurb	-	500	(495)	(5)	-
Fund for IPU	-	1,501	(420)	(1,081)	-
Zurich Community Trust	-	2,000	-	-	2,000
Sir John Fisher Foundation	-	40,000	(3,087)	-	36,913
Town Lands Trust	-	3,297	-	-	3,297
Enhancing EOLC in care homes	-	13,000	(349)	-	12,651
Total funds	147,447	115,037	(73,192)	(127,898)	61,394

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

19 Restricted income funds (continued)

The 6 Steps Project is a fund for a training programme for care homes to up-skill them in the area of end of life care.

The fund from Ulverston Townlands Trust is provided for the use of the Family Support Service.

The Sheila Werry fund for Complementary Therapies is a legacy left to the Hospice for the purchase of complementary therapy supplies.

The grant from BAE was awarded by their Give as You Earn committee, to support the Positive Living Programme.

The John Fisher Foundation will support the capital costs of refurbishing the new building in Barrow-in-Furness to accommodate our Living Well Services and enable collaborative work with partner organisations to contribute to the wellbeing of Furness residents.

The Orsted Living Well fund has enabled us to extend the geographical reach of our Living Well Services. This fund is in deficit as the Hospice makes a retrospective claim after expenditure has been incurred. Of the original £43,000 grant to the Hospice, £15,038 has yet to be claimed.

The fund from Ulverston Townlands Trust was provided for the purchase of 2 standing hoists.

The Zurich Pre-Bereavement support grant was awarded to enable is to provide a pre-bereavement support service within the Inpatient unit and Hospice at Home services.

The BAE Give as you earn fund was provided for the purchase of chairs for living Well Afternoons as the new Barrow site.

The ACP Train the Trainer grant is provided by Health Education England to fund the delivery of training in Advanced Care Planning to staff to act as facilitators and champions.

The Leven Valley fund was provided by the Leven Valley support group for the purchase of new bed and mattress systems.

The Orsted Fundraising fund was provided to sponsor 1,000 St Mary's Hospice t-shirts.

The Domicillary Massage fund is provided by Cumbria Partnership Trist to provide additional domicillary massage to patients in their own homes, earlier in their illness.

The Make Do and Mend fund was provided by the Masonic Foundation. It funds sessions for people who have been bereaved, which are centred around practical skills and are supported by trained bereavement volunteers.

The Orsted fund is sponsorship provided specifically for the Walk to Remember.

The NNAS Paramedic Project is a fund from Health Education England for the design and delivery of a training programme for paramedics in the North West Ambulance Service.

The Medical and Clinical equipment fund is from funds donated to help purchase equipment for the IPU.

M&S Fundraising Refurb fund was donated by M&S to refurbish the fundraising offices.

The Fund for IPU is made up of donations provided specifically to be used for the Inpatient Unit.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

19 Restricted income funds (continued)

The Zurich Community Trust fund is for the purchase of equipment for one of the therapy rooms at the Living Well Centre in Barrow.

The Ulverston Town Lands Trust fund is provided for the purchase of new bed frames.

The fund for enhancing end of life care in care homes was provided by the CCG, to enable the Hospice to share their expertise with staff in local care homes to facilitate best practice in end of life care.

20 Restricted income funds: Prior year

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	At 31 March 2018 £
Restricted funds					
6 Steps Project	7,773	-	-	-	7,773
Deciding Right Fund	15,340	-	(15,340)	-	-
Town Lands Trust	1,424	-	(375)	-	1,049
Sheila Werry CT fund	276	-	(141)	-	135
Cumbria Community Foundation - IPU	219	-	(219)	-	-
BAE Positive Living Programme	2,387	-	(475)	-	1,912
IPU Christmas Lights Fund	1,540	-	(1,540)	-	-
Marks and Spencer Fund	-	500	(617)	117	-
John Fisher Foundation	-	122,000	-	-	122,000
Orsted Living Well Fund	-	9,813	(10,449)	-	(636)
ANP Fund from MacMillan	-	4,457	(4,457)	-	-
Ulverston Townlands Trust	-	3,156	-	(2,138)	1,018
Zurich Pre-Bereavement Support	-	2,000	(469)	-	1,531
BAE Duke St Chair fund	-	3,000	-	-	3,000
ACP Train the Trainer	-	13,099	(8,406)	-	4,693
Leven Valley Support Fund	-	6,358	-	(4,686)	1,672
Orsted T Shirt Fund	-	3,300	-	-	3,300
Total funds	28,959	167,683	(42,488)	(6,707)	147,447

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

21 Unrestricted income funds: Current year

	At 1 April 2018 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 March 2019 £
Group						
Designated Funds	2,314,232	-	(156,340)	198,674	-	2,356,566
General Funds	2,833,083	3,045,698	(3,099,421)	(70,776)	26,179	2,734,763
Unrestricted funds	5,147,315	3,045,698	(3,255,761)	127,898	26,179	5,091,329
Charity						
Designated Funds	2,314,064	-	(156,340)	198,674	-	2,356,398
General Funds	2,829,603	2,913,666	(2,994,066)	(70,776)	26,179	2,704,606
Unrestricted funds	5,143,667	2,913,666	(3,150,406)	127,898	26,179	5,061,004

The designated funds comprise of the fixed assets of the group and charity as these are necessary for the day to day operation of the Hospice and are therefore not considered to be generally available funds for use at the discretion of the Trustees in line with the charity's objectives. Also included are four funds designated by the Trustees for specific purposes as follows; £20,044 for Clinical Development, £18,131 for a Facilitator post extension and £710 for Website development. The investment in subsidiaries and associates is also designated fund.

22 Unrestricted income funds: Prior year

	At 1 April 2017 £	Income £	Expenditure £	Transfers £	Gains/ (losses) £	At 31 March 2018 £
Group						
Designated Funds	2,377,961	83,918	(204,731)	57,084	-	2,314,232
General Funds	3,054,190	2,792,646	(2,960,244)	(50,377)	(3,132)	2,833,083
Unrestricted funds	5,432,151	2,876,564	(3,164,975)	6,707	(3,132)	5,147,315
Charity						
Designated Funds	2,377,707	83,918	(204,645)	57,084	-	2,314,064
General Funds	3,053,742	2,707,692	(2,878,322)	(50,377)	(3,132)	2,829,603
Unrestricted funds	5,431,449	2,791,610	(3,082,967)	6,707	(3,132)	5,143,667

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

23 Analysis of net assets between funds: Current year

Group	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Restricted Income Funds	-	-	61,394	-	61,394
Designated Funds	2,317,585	10	38,885	-	2,356,480
General Funds	-	1,045,900	1,688,949	-	2,734,849
Total funds	2,317,585	1,045,910	1,789,228	-	5,152,723

Charity

Unrestricted income funds:

Restricted Income Funds	-	-	61,394	-	61,394
Designated Funds	2,317,500	13	38,885	-	2,356,398
General Funds	-	1,045,900	1,658,706	-	2,704,606
Total funds	2,317,500	1,045,913	1,758,985	-	5,122,398

Restricted funds for the current year are detailed in note 19 to the financial statements.

24 Analysis of net assets between funds: Prior year

Group	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Restricted Income Funds	-	-	147,447	-	147,447
Designated Funds	2,224,047	10	90,175	-	2,314,232
General Funds	-	997,773	1,835,310	-	2,833,083
Total funds	2,224,047	997,783	2,072,932	-	5,294,762

Charity

Unrestricted income funds:

Restricted Income Funds	-	-	147,447	-	147,447
Designated Funds	2,223,876	13	90,175	-	2,314,064
General Funds	-	997,773	1,831,830	-	2,829,603
Total funds	2,223,876	997,786	2,069,452	-	5,291,114

Restricted funds from the prior year are detailed in note 20 to the financial statements.

HOSPICE OF ST. MARY OF FURNESS (COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2019

25 Control and related party transactions

The charity was under the control of the Board of Trustees' who are also directors for the purposes of company law in both the current and prior period.

No employee benefits were paid to any of the Trustees' during the current or period year and none of the Trustees' received any expenses from the charity during the same periods.

There are no further disclosable related party transactions for the charity.

26 Company Limited by guarantee

The company is limited by guarantee. In the event of the company being wound up or dissolved, each member undertakes to contribute such amount as is required, not exceeding £1, for payment of any debts or liabilities.