

**CRANSLEY HOSPICE TRUST
ANNUAL REPORT
AND
ACCOUNTS
FOR THE YEAR ENDED
31 MARCH 2019**



Registered Company No 08102611

Registered Charity Number 1151018

Annual Report and Accounts for the year ended 31 March 2019

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Foreword by the Chairman of Trustees of the Cransley Hospice Trust

Welcome to our Annual Report for the year ended 31st March 2019. It has been a year of both sustained progress and significant change. For the Charity we have had a change of Chairmanship as Richard Aveling decided to step down in February 2019 for health reasons after some four years in post. He remains a Trustee and is continuing to provide much valued assistance to the Board and myself as the new Chair.

Externally the prolonged uncertainties around Brexit have presented challenges to all Charities and although we have managed to hold our own this year it has not been easy. There are also changes across the NHS and Local Authority Social Care at both national and local level which have potential implications for us.

The past year has seen progress against our strategic priorities of fundraising, enabling new developments, and contributing expertise about hospice care to the various local NHS bodies which contribute to the planning, funding and delivery of specialist palliative and end of life care to the community. We have seen evidence of increased uptake of the Hospice at Home Service in the wake of additional funding from both the Cransley and Cynthia Spencer Hospice Charities- an example of joint strategic planning to make the most effective use of our resources.

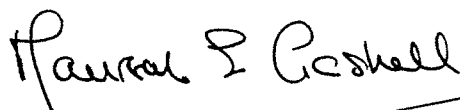
We have started to see the benefits of the “professionalisation” strategy referred to in the last annual report with a skilled and focussed staff team supported by an enhanced Board of Trustees. This has included the introduction of new Fundraising events such as the very successful Bubble Rush event at Wicksteed Park held for the first time in May 2018, and the development of our use of social media to increase visibility and a sense of community with a growing range of supporters. We also implemented a new IT system to better support our operations.

It has been fantastic to see the growth of funding from the wonderful network of supporters who have organised so many events throughout the year. The level of personal commitment and generosity is impressive, and we are enormously grateful to everyone who has participated in one way or another. We are deeply appreciative of those who have chosen to remember the Hospice through legacies, and those who give us their time as volunteers in the office, in the shops, at events and in so many other ways.

I thank my fellow Trustees for their time, commitment and support; our dedicated staff- led by Chief Executive Peter Kelby and his Management team; and others who so willingly offer us their professional advice when the need arises.

In conclusion on a personal note- as a very part-time volunteer in the Hospice- I see the how much difference the work of the wonderful staff makes to lives of the patients, their relatives, carers and friends. It is a privilege to play a small part in ensuring that the Hospice can continue to serve the needs of community across north Northamptonshire into the future.

Maureen E Gaskell
Chair



Who We Are

Cransley Hospice Trust is an independent charity raising funds for the hospice serving the North of the Northamptonshire. We support and enhance the services provided by Cransley Hospice (which is managed and operated by Northamptonshire Healthcare NHS Foundation Trust). We work with Cynthia Spencer Hospice Charity to provide a range of county wide services such as Hospice at Home. Cynthia Spencer Hospice Charity fund the hospice services in the South of the county, based at Cynthia Spencer Hospice, and shares the costs of countywide services.

The Trust is registered as a general-purpose charity under registration number 1151018.

By securing donations, legacies and sponsorship, the Charity seeks to improve and expand the support that makes a real difference to the care of patients who require palliation and end of life care. This support includes the families and loved ones of patients and the staff who look after them in Cransley Hospice and within the local community.

What we aim to do: our objectives and activities

Cransley Hospice Trust (CHT) supports the care of patients in Cransley Hospice and the community who require specialist palliative care and end of life care.

We do this, in partnership with local CCGs (see below), by commissioning and funding the provision of specialist palliative care to patients with complex needs. We also support patients in their chosen place of care at the end of life, in the Hospice or the patient's home.

We support the Hospice and associated services in the community by identifying what services are needed (commissioning) and funding the services alongside the two Clinical Commissioning Groups (CCG) in Northamptonshire (Nene CCG and Corby CCG). Some of the services are countywide and we work with our partner, Cynthia Spencer Hospice Charity (CSHC), to fund them. The services are provided by Northamptonshire Healthcare NHS Foundation Trust (NHFT) under the title of Specialist Palliative Care (SPC).

We plan to continue to grow the services to patients by increasing our fundraising. Our strategy includes increasing the range of patients able to access hospice care and, specifically, to develop the care available to patients in their own homes. The plans to deliver the strategy are reflected, each year, in a detailed budget which we closely monitor, and report to the Trustees. This ensures we are achieving our fundraising targets, controlling our costs, and providing the required income.

The expertise within the two charities (CHT and CSHC) in Specialist Palliative Care enables us to take a lead in commissioning the services in the county and to seek best practice.

The on-going expansion means that more patients are able to receive our services. We monitor both the increase in people cared for and the quality of the care.

Volunteers are a very important part of our team. They support the work of the Hospice, the running of the Charity and in fundraising. Without them we could not achieve our aims.

In setting plans for the year, the Trustees give consideration to the Charity Commission's general guidance on public benefit and, in particular, to the public benefit of providing support for the relief of ill-health.

Achievement and Performance

Income Generation and Our Future Plans:

The financial year 2018/19 continued to show steady growth in fundraising with an uplift in income (excluding trading and investments) of £110,677, 12 % based on the previous year's comparable income of £923,750.

We are exceedingly grateful that Cransley Hospice Trust supporters have been kind enough to remember us by leaving a gift in their Will. Our legacy income totalling £282,774 for the year will have a huge impact on our ability to provide end of life care.

The ongoing work we are doing in raising awareness in the community continued to have a positive impact on fundraised income. We introduced several new initiatives such as Festive Feet and Cuppa for Cransley and this, coupled with our increased level of stewardship for supporters and third parties, supported our growth in community income.

We added three new Cransley led events to broaden our portfolio with the most successful being the introduction of the Bubble Rush which delivered a net profit of £28,338 from 1500 participants.

March saw the introduction of our first In Memory walk, Lanterns at the Lakes (at Stanwick Lakes), which was welcomed by many of our supporters who have lost a loved one and received care from our Hospice team.

We also held our most successful Tree of Lights event having moved it to the site where our Hospice building is. The event was attended by around 650 people.

Having implemented a new process for increased volunteer coverage at collections and having built stronger relationships with Community Champions in stores we saw an increase in income. We will continue to build on this in 2019.

We have increased our marketing both in terms of materials and presence with social media showing impressive growth of 65% on Facebook and 50% on Twitter. We have also set up new profiles on Instagram and LinkedIn.

Facebook donations have been set up which delivered nearly £8,500 in fundraised income.

We introduced a new process for the recruitment of our volunteers, without whom we would incur significantly higher expenditure costs. We welcomed many of them to our two thank you events held in the summer and at Christmas.

GDPR had a significant impact on our ability to contact donors following our decision to ask for full 'Opt in' consent.

We have received no complaints to the fundraising regulator regarding our conduct and no requests from the telephone preference service affecting Cransley Hospice Trust.

During the next year we will continue to explore new and innovative ways of fundraising that will target a broader audience.

This will include introducing three new events into our portfolio that will give us the opportunity to engage with supporters in different ways.

Working alongside new Corporates will be key to building additional Charity of the Year partnerships for the years ahead.

We will be working more closely with schools and youth organisations as part of our longer-term strategy of gaining new and sustainable support.

Investing in legacy marketing will be key to our work next year, as will strengthening our relationships with people who give to us In Memory of a loved one.

We will be making an investment in contactless buckets enabling those people who wish to give in this way to do so.

Having recognised that we need to increase awareness of the charity, we will be uplifting all areas of our marketing across digital platforms.

Service Development and Our Future Plans

Cransley Hospice provides specialist care to patients and their families who have complex care needs because of a life limiting illness. Care is provided both within the hospice and to patients within their own homes by the Hospice at Home Service which works in the community. The services provided by Cransley Hospice are funded through a combination of NHS and charitable monies.

We commit to maintain the current level of charitable funding for the palliative care service relating to Cransley Hospice, this will enable Northamptonshire Healthcare Foundation (NHS) Trust to deliver its contractual obligations to the Clinical Commissioning Groups. Cransley Hospice Trust will also continue to determine the extent of additional funding requirements both locally and countywide.

To this end Cransley Hospice Trust continues to work with Cynthia Spencer Hospice Charity to implement a Strategic Plan. This sets out the strategic aims and objectives for the two Charities to deliver between 2017 and 2020 and will ensure a coordinated approach across the county.

Key to this strategy is that the services commissioned by the charities will reflect best practice and deliver what is important to the patient and their families. Cransley Hospice Trust believes that the service should be based on need and not diagnosis and this means that we will work to support an increase in the number of non-cancer patients receiving care. This will require the Trust to commission additional education, support and supervision programmes to increase the skill of existing staff as well as fund any additional staff resource required,

Cransley Hospice Trust has increased the funding contribution to the End of Life Practice Development Team. This has meant that during 2018/19 this team has educated, advised and supported approximately 2,253 health and social care staff and members of the public. The team have embarked on new projects including: a collaborative research and education project with the University of Northampton regarding Advance Care Planning for people living with dementia; developing a team of educators within Specialist Palliative Care service to be able to deliver Enhanced Communication skills across the county; and developing and delivering a course for nursing preceptors in the county. The Team have also been selected to be a Gold Standards Framework Regional Education Centre, accredited to deliver this education across the region.

An evaluation of the impact of the additional charitable funding to the Hospice at Home Service during 2018/19 has shown that the service has been able to increase the amount of care provided to patients and families. This is particularly for patients discharged from Kettering General Hospital and Cransley Hospice to their home where this is the patient's choice.

During 2018/19 the community-based Specialist Palliative Care teams, Hospice at Home, Clinical Nurse Specialist and Therapists have integrated to form a single Hospice at Home Service. All referrals to this service are triaged through a single point of access which will assess both the speed of response and the type of service(s) required by the patient. This has improved both the accessibility and responsiveness of these services to patients and their families and simplified the referral process for Healthcare Professionals.

These changes support the Clinical Care Groups commissioning aspirations for Last Years of Life Care which particularly focus on the need for more patients to achieve their Preferred Place of Care, and provision of care closer to the patient's home.

During 2023 the lease for the current premises expires and this provides us with the opportunity to explore a hospice bed strategy fit for the next decade. A research project will be undertaken to support this strategy.

Your support will help to makes these plans possible and help us to make a positive difference to the patients we care for and their families.

Trustee's Annual Report on Finance and Governance

Basis of preparation and legal framework

The Trustees present the Annual Report together with the Audited Financial Statements for the year ended 31 March 2019.

Full Name of Charity:	Cransley Hospice Trust
Registration Charity Number:	1151018
Company No	08102611

The principal office is at:	St Mary's Hospital 77 London Road Kettering Northants NN15 7PW
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Directors & Trustees:	Mr. R J Aveling (Chair to 23/01/2019) Rev Dr J S Smith (Patron) Mrs. M Gaskell (Chair from 23/01/2019) Ms. Laura Allanson Mr. Daniel Freeland Mr. Andrew Attfield Mr. Christopher Turner Mrs. D Mukhtar (appointed 26/06/2019) Ms. M Estop-Green (appointed 24/07/2019)
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Chief Executive Officer	Mr. P J Kelby
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The advisors and administrators used by the Charity during the year ended 31 March 2019 were:

Bankers	Lloyds Bank 2 George Row Northampton NN1 1DJ
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Auditors	Hawsons Chartered Accountants Jubilee House 32 Duncan Close Moulton Park Northampton NN3 6WL
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Structure, Governance and Management

Cransley Hospice Trust is governed by a board of Trustees/Directors. Its Articles of Association and Memorandum of Association were signed and dated on 12 June 2012.

Acting for the Trustees, the Chief Executive is responsible for the operational management of the Trust. This role is required to:

- Control, manage and monitor the use of resources.
- Provide support, guidance and encouragement for all its income raising activities whilst managing and monitoring the receipt of all income.
- Ensure that "best practice" is followed in the conduct of all its affairs fulfilling all of its legal responsibilities.

Day to day operation of the charity is vested with the Chief Executive.

The Audit and Risk Committee monitor the integrity of the annual financial statements of the Trust and review significant financial reporting issues and judgements which they contain.

Newly appointed Trustees are provided with information about the Charity, including the strategy and plans, previous annual report and accounts, budgets, policies and minutes, and information about trusteeship. The Chair gives new members a briefing on the current policies and priorities for the Charity and ensures any additional training that their role may require is also offered.

Public Benefit Test

In accordance with Section 4 of the 2006 Charities Act the Trustees have ensured that due regard has been taken to ensure that all expenditure incurred has met the Public Benefit test.

Risk Management

The major risks to which the Charity is exposed have been identified and considered.

These are included in a formal risk register, which will be subject to bi-annual review and will include reference to mitigating actions.

Income and Expenditure is being monitored in total and is compared with the approved budget on a quarterly basis to detect trends as part of the risk management process to avoid unforeseen calls on reserves.

Our Fundraising Practises

Cransley Hospice Trust's fundraising team organise fundraising events and co-ordinates the activities of our supporters in the community.

The fundraising department has signed up to the Fundraising Regulator's Code of Fundraising Practise. The Fundraising team are kept up to date with any changes to the regulations to ensure they remain compliant.

We are members of the Institute of Fundraising and use this as a reference for fundraising activities and compliance alongside the Regulator.

Volunteer fundraisers attend an induction event and follow up training to ensure that they are fully aware of our need to remain transparent and compliant in all areas.

We use professional fundraisers as part of our contract with 'Your Hospice Lottery'. These fundraisers are employed by Your Hospice Lottery, but work on our behalf to promote the lottery, (as well as for other Hospices in the same lottery). We are assured via Your Hospice Lottery that their fundraisers are all trained and follow the appropriate codes of conduct.

All direct marketing for specific events is undertaken by the fundraising department and we ensure that it is not unreasonably intrusive or persistent. All marketing materials contain clear instructions on how a supporter can alter their preferences or be removed from our mailing list completely.

We are pleased to report that there have been no complaints about our fundraising activity this year.

Our Fundraising Performance

During the year the total donations, legacies and income from trading and fundraising came to £1,218k, against a planned income of £1,382k, with much of the variance being due to receiving less from Grant making trusts.

We re-evaluated our events portfolio, introducing new events targeting a variety of audiences and saw an increase in our event income as a result.

Much of our fundraising continued to be community focused and we saw a real uplift in our engagement with third party fundraisers.

Our lottery performed better than last year, and we saw a small uplift in the income from both trading outlets. We were also grateful to receive significant legacy income over the year.

Reserves Policy

Cransley Hospice Trust is a fundraising charity without any secured or contracted income streams, relying wholly on the generosity of our donors. In order to be able to ensure that our support to the hospice is maintained when there are variations in fundraising income caused by factors outside the charity's control, the Trustees aim to maintain free reserves (unrestricted and liquid reserves) of 1 year's total expenditure.

At present, total free reserves are £1,908k, which represents 18 months' worth of expenditure at current levels, which is in excess of the target set out in the policy. The Trustees are exploring with Cynthia Spencer Hospice Charity (CSH) and Northamptonshire Healthcare Foundation Trust (NHFT) opportunities for the further development of the wider service and more specifically are working with NHFT in the knowledge that a physical relocation of the in-patient element of the service in the North of the County may be required in the medium term, driven by NHS Estate issues.

Inevitably there will be a financial impact on the Charity's funds arising from these discussions for which prudently it needs to prepare, so for the next year, and potentially over a two to three-year period, the Charity is likely to be running with reserve levels above the policy target.

Partnership Working and Networks

Palliative care patients in the North of Northamptonshire are currently the main beneficiary of the Charity. By working in partnership with Northamptonshire Healthcare NHS Foundation Trust, which has overall responsibility for the delivery of the service, the Charity seeks to use its funds and those of the NHS to best effect.

Partnerships are very important to the Charity. Our partnerships with NHFT, the CCGs and Cynthia Spencer Hospice Charity are a key part of the effective delivery of our strategy. Throughout the year partnerships have been formed with members of the corporate sector, the local community and membership organisations as well as individuals. Thanks go to all those who have made donations in the past financial year.

Investment Policy

We invest funds to generate income while, where possible maintaining the value of the assets. We take a low risk approach to the investments.

As a health charity, we do not invest in companies whose primary activity is tobacco related.

Statement of Trustees' responsibilities in respect of the Trustees' annual report and the financial statements

The trustees are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of 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 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

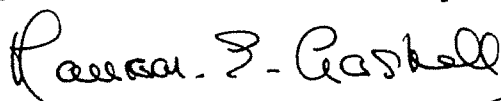
The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps 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 United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Signed on behalf of the trustees by:



Name: Maureen E Gaskell

Chair

23 October 2019

Cransley Hospice Trust Statement of Financial Activities
(including income and expenditure account)
For the year ended 31 March 2019

		Unrestricted		Restricted	Total	Total
	Note	General	Designated	Funds	31 March	31 March
		Funds	Funds		2019	2018
		£000's	£000's	£000's	£000's	£000's
INCOME:						
Donations & Legacies:	3					
Donations		296	-	-	296	413
Legacies		228	-	55	283	173
Other trading activities	4	639	-	-	639	521
Income from investments	13	35	-	-	35	39
Total income and endowments		1,198	-	55	1,253	1,146
EXPENDITURE:						
Expenditure on Raising funds	5	545	-	-	545	467
Expenditure on charitable activities:	7					
Medical Equipment purchase		2	-	-	2	21
Core service funding		542	-	-	542	542
Charity enhancement of hospice care		137	-	56	193	127
Governance costs	6	25	-	-	25	5
Total expenditure		1,251	-	56	1,307	1,162
Net expenditure before losses on investments		(53)	-	(1)	(54)	(16)
Net losses on investments	12	(13)	-	-	(13)	(21)
Net movement in funds for the year		(66)	-	(1)	(67)	(37)
Reconciliation of funds:						
Total Funds b/f at 31 March 18		1,974	1	1	1,976	2,013
Total Funds c/f at 31 March 19		1,908	1	-	1,909	1,976

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

Cransley Hospice Trust Balance Sheet
(Company number 08102611)
As at 31 March 2019

		Unrestricted		Restricted	Total	Total
	Note	General	Designated	Funds	31 March	31 March
		Funds	Funds		2019	2018
		£000's	£000's	£000's	£000's	£000's
Fixed assets:						
Tangible fixed assets	11	10	-	-	10	2
Investments	12	808	-	-	808	821
Total fixed assets		818	-	-	818	823
Current assets:						
Stock		1	-	-	1	-
Debtors and prepayments	14	9	-	-	9	25
Cash at bank and in hand	14	1,117	1	-	1,118	1,312
Total current assets		1,127	1	-	1,128	1,337
Liabilities						
Creditors: Amounts falling due within one year	15	37	-	-	37	184
Net current assets		1,090	1	-	1,091	1,153
Total assets less current liabilities		1,908	1	-	1,909	1,976
Funds of the Charity:						
Unrestricted Income Funds	16	1,908	-	-	1,908	1,974
Restricted Income Funds	16	-	-	-	-	1
Designated Income Funds	16	-	1	-	1	1
Total charity funds		1,908	1	-	1,909	1,976

The notes at pages 16 to 25 form part of these accounts

The financial statements were approved by the trustees and signed on their behalf by:

Maureen E Gaskell
Maureen E Gaskell
Charity Chair
23 October 2019

Cransley Hospice Trust Statement of Cash Flows
For the year ended 31 March 2019

	Note	Total 31 March 2019 Funds £000's	Total 31 March 2018 Funds £000's
Cash flows from operating activities:			
<i>Net cash provided by operating activities</i>	18	(217)	98
Cash flows from investing activities:			
Dividends from investments		35	39
Purchase of fixed assets		(12)	-
Net cash provided by investing activities		23	39
Change in cash and cash equivalents in the reporting period		(194)	137
Cash and cash equivalents at the beginning of the reporting period		1,312	1,175
Cash and cash equivalents at the end of the reporting period	14	1,118	1,312

Notes on the accounts

1. Summary of significant accounting policies and key accounting estimates

(a) General information and basis of preparation

The charity is a company limited by guarantee incorporated in England within the United Kingdom. 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 address of the registered office is given in the charity information on page 11 of these financial statements.

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

The financial statements have been prepared on a going concern basis under the historic cost convention, with the exception of any investments which are included at market value. The financial statements are presented in sterling, which is the functional currency of the charity and rounded to the nearest £1,000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Funds structure

Restricted funds and designated funds are funds which are to be used in accordance with specific restrictions imposed by the donor.

Unrestricted income funds comprise those funds which the Trustee is free to use for any purpose in furtherance of the charitable objects of the identified special purpose fund. Unrestricted funds include designated funds, where the donor has made known their non-binding wishes or where the trustees, at their discretion, have created a fund for a specific purpose.

(c) Income

Income is recognised once the charity has entitlement to the resources, it is probable that the resources will be received and the monetary value of incoming resources can be measured with sufficient reliability.

(d) Income from legacies

Income from legacies are accounted for either upon receipt or where the receipt of funds in relation to the legacy is probable; this will be once

confirmation has been received from the representatives of the estate(s) that payment from the legacy will be made or property transferred and once all conditions attached to the legacy have been fulfilled.

(e) Expenditure

Expenditure is recognised when a liability is incurred. Grant commitments are recognised when a constructive obligation arises that result in payment being unavoidable.

Contractual arrangements are recognised as goods or services supplied.

(f) Irrecoverable VAT

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

(g) Allocation of overhead and support costs

Overhead and support costs have been allocated directly or apportioned on an appropriate basis (refer to note 6) between Charitable Activities and Governance Costs. Once allocation and/ or apportionment of overhead and support costs has been made between Charitable Activities and Governance Costs, the cost attributable to Charitable Activities is apportioned across those activities in proportion to total spend.

(h) Expenditure on raising funds

Expenditure of raising funds relate to expenses incurred to support fund raising activities, the operating costs of the shops and funding of the Fundraising teams' costs.

(i) Expenditure on charitable activities

Expenditure on charitable activities comprise all costs incurred in the pursuit of the charitable objects of the charity. These costs comprise direct costs and an apportionment of overhead and support costs as shown in note 6.

(j) Governance costs

Governance costs comprise all costs incurred in the governance of the charity. These costs include costs related to statutory audit, together with an apportionment of overhead and support costs.

(k)Tangible fixed assets

Individual fixed assets costing £2,000 or more with a useful life of over 18 months are capitalised at cost and are depreciated over their estimated useful economic lives on a straight-line basis as follows:

Asset class	Depreciation rate
Plant and machinery	33%

(l) Fixed asset investments

Any investments are stated at market value as at the balance sheet date. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

(m) Net gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and opening market value (purchase date if later).

Unrealised gains and losses are calculated as the difference between the market value at the year end and opening market value (or purchase date if later).

(n) Pensions

Two members of staff at the Charity are currently employed by Northamptonshire Healthcare NHS Foundation Trust with their full costs recharged to the Charity. Under this arrangement the Charity's staff are entitled to join the NHS Pensions Scheme. The Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable participating bodies to identify their share of the underlying Scheme assets and liabilities. Therefore, the Scheme is accounted for as if it were a defined contribution scheme: the cost to the charity of participating in the Scheme is taken as equal to the contributions payable to the Scheme for the accounting period.

The Scheme is a "final salary" scheme. Annual pensions are normally based on 1/80 of the best of the last 3 years pensionable pay for each year of service. A lump sum normally equivalent to 3 years pension is payable on retirement. Annual increases are applied to pension payments at rates defined by the Pensions (Increase) Act 1971, and are based on changes in retail prices in the twelve months ending 30 September in the previous calendar year. On death, a pension of 50% of the member's pension is normally payable to the surviving spouse.

The Scheme is subject to a full actuarial valuation every four years, and a FRS102 accounting valuation every year. The conclusion from the 2012 valuation was that the Scheme had accumulated a notional deficit of £10.3 billion against the notional assets as at 31 March 2012. However, after taking into account the changes in the benefit and contribution structure effective from 1 April 2015, the Scheme actuary reported that employer contributions could continue at the existing rate of 14.3% of pensionable pay.

The valuation of scheme liability in accordance with FRS102 is carried out annually by the Scheme Actuary. The latest assessment of the liabilities of the Scheme are contained in the Scheme Actuary report, which forms part of the annual NHS Pension Scheme (England and Wales) Resource Account, published annually. These accounts can be viewed on the NHS Pensions website.

The Charity also operates a defined contribution pension scheme. Premiums payable to the scheme are charged to the SOFA in the period to which they relate.

(o) Operating leases

Rentals applicable to operating leases are charged to the SOFA over the period in which the costs are incurred.

2. Related party transactions

There were no related party transactions to note during the year.

3. Analysis of income from donations and legacies

	31 March 19	31 March 18
	£000's	£000's
Donations over £5k	49	141
Other donations	247	272
Legacies	228	173
Restricted legacies	55	-
Total	579	586

4. Other trading activities

	31 March	31 March
	2019	2018
	£000's	£000's
Events income	357	262
Shop sales	183	183
Lottery	99	76
Total	639	521

5. Expenditure on raising funds

(Relates to notes 3 and 4 combined)

	31 March	31 March
	2019	2018
	£000's	£000's
Fundraising direct expenditure	71	60
Shop running costs	46	42
Coffee shop running costs	86	90
Salaries	290	252
Apportioned overheads (note 6)		23
	52	
Total	545	467

6. Analysis and allocation of support costs and overheads

Total support and overhead costs of the charity excluding fundraising was £57,000. An allocation and apportionment of overhead and support costs has been made to Governance Costs as outlined below and the balance has been apportioned across Expenditure on Raising funds in proportion to actual direct outlay.

Support cost analysis	31 March 2019 Total	Allocated to Governance	Residual for apportionment
	£000's	£000's	£000's
Support staff costs	20	20	-
External Audit fees	5	5	-
Professional fees & services	12	-	12
Office costs	37	-	37
Bank charges	3	-	3
Total	<u>77</u>	<u>25</u>	<u>52</u>

Also included within governance costs per the Statement of Financial Activities are apportioned staff costs of £20,000.

7. Expenditure on charitable activities

The charity's direct expenditure in the year supported the following activities.

	Unrestricted expenditure	Restricted expenditure	Total
	£000's	£000's	£000's
Grant Activity			
Medical Equipment purchase	2	-	2
Core service funding	542	-	542
 Charity enhancement of hospice care	 137	 56	 193
	<u>682</u>	<u>56</u>	<u>738</u>

8. Analysis of grants

The grants highlighted in note 7 above were made to Northamptonshire Healthcare Foundation Trust. The charity does not make grants to individuals.

9. Analysis of staff costs

	31 March 2019 Total £000	31 March 2018 Total £000
Salaries and wages	416	361
Social security costs	31	23
Other pension costs	12	10
Total	459	394

Staff costs are allocated between the various categories of expenditure as follows:

	31 March 2019 Total £000	31 March 2018 Total £000
Coffee shop running costs	36	39
Shop running costs	23	23
Charity enhancement of hospice care (restricted)	14	18
Charity enhancement of hospice care (unrestricted)	76	62
Expenditure on raising funds	290	252
Governance costs	20	-
Total	459	394

The average number of full-time equivalent staff during the year was 17 (2018: 14) with all staff time involved in providing fundraising and support services for charitable activities.

No staff member had an emolument in excess of £ 60,000 (2018: £nil).

The charity trustees were not paid or received any other benefits from employment with the Trust or its subsidiary in the year (2018: £nil) neither were they reimbursed expenses during the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

The key management personnel of the charity comprise the Chief Executive Officer. The total employee benefits of the key management personnel of the Trust were £37,458 (2018: £38,950).

10. Auditor's remuneration

The auditor's remuneration of £4,860 (2018: £4,860) relates to the audit fee and preparation of the charity's statutory accounts.

11. Tangible fixed assets

	Plant and Machinery £000
Cost	
At 1st April 2018	4
Additions	12
At 31st March 2019	16
Depreciation	
At 1st April 2018	2
Charge for the year	4
At 31st March 2019	6
Net Book Value	
At 31st March 2019	10
At 31st March 2018	2

12. Fixed asset investments

	As at 31 March 19 £000	As at 31 March 18 £000
Market value brought forward	821	842
Net (loss) / gain on revaluation	(13)	(21)
Market value carried forward	808	821

Holdings which individually represent in excess of 4% of the total Investments are as follows:-

Investments in a Common Investment Fund

M&G Charibond	198	198
M&G Charifund	208	206
Schroders Equity Income Trust for Charities A Income Units	402	417

13. Total Gross income from investments and cash on deposit

£35,730 of investment income was received during the financial year (2018: £38,549).

14. Analysis of current assets

Debtors under 1 year

As at 31 March 19 £000's	As at 31 March 18 £000's
--------------------------------	--------------------------------

Other debtors	5	22
Prepayments	4	3
	<hr/>	<hr/>
	9	25

There are no long-term debtors

Analysis of cash at bank

	As at 31 March 19 £000's	As at 31 March 18 £000's
Bank balance held in Lloyds current account	29	211
Savings account	1,089	1,101
	<hr/>	<hr/>
	1,118	1,312

15. Analysis of current liabilities and long-term creditors

	As at 31 March 19 £000	As at 31 March 18 £000
Trade Creditors	22	1
Accruals	12	183
Other Creditors	3	-
	<hr/>	<hr/>
	37	184

There are no long-term creditors.

16. Analysis of movements and purpose of main funds by category

The following provides analysis of movements by Special Purpose Fund and designation for the year ended 31 March 2019.

	Balance at 31st March 2018 £000's	Income £000's	Expenditure £000's	Gains/ (Losses) on investments £000's	Transfers £000's	Balance at 31st March 2019 £000's
Unrestricted Funds						
General Fund	1,974	1,198	(1,251)	(13)	-	1,908
Total	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,974	1,198	(1,251)	(13)	-	1,908
Designated Funds						
Nurses Fund	1	-	-	-	-	1

Total	1	-	-	-	-	1
Restricted Funds						
New build fund	-	-	-	-	-	-
Equipment fund	1	-	(1)	-	-	-
Hospice at Home	-	55	(55)	-	-	-
Total	1	55	(56)	-	-	-
Total for Cransley Funds						
	1,976	1,253	(1,307)	(13)	-	1,909

Purpose of large funds

Cransley General Fund

Available to support the work of the Cransley Hospice

The following provides analysis of movements by Special Purpose Fund and designation for the year ended 31 March 2018.

	Balance at 31st March 2017 £000's	Income £000's	Expenditure £000's	Gains/ (Losses) on investments £000's	Transfers £000's	Balance at 31st March 2018 £000's
Unrestricted Funds						
General Fund	1,994	1,146	(1,144)	(21)	1	1,974
Total	1,994	1,146	(1,144)	(21)	1	1,974
Designated Funds						
Nurses Fund	1	-	-	-	-	1
Total	1	-	-	-	-	1
Restricted Funds						
New build fund	18	-	(18)	-	-	-
Equipment fund	-	-	-	-	1	1
Total	18	-	(18)	-	1	1
Total for Cransley Funds						
	2,013	1,146	(1,162)	(21)	-	1,976

Purpose of large funds

Cransley General Fund

Available to support the work of the Cransley Hospice

Designated Fund

A designated fund has been set aside out of unrestricted funds by the trustees representing monies that are held on behalf of the nurses to pay for services on site.

Restricted Fund

The new build fund relates to funds specifically held for the development and search for a new hospice site.

17. Analysis of the charity's net assets between funds

	Unrestricted General Funds £000's	Designated Funds £000's	Restricted Funds £000's	Total Funds £000's
Fund balance at 31 March 2019				
Tangible fixed assets	10	-	-	10
Investments	808	-	-	808
Net current assets	1,090	1	-	1,091
	<u>1,908</u>	<u>1</u>	<u>-</u>	<u>1,909</u>

	Unrestricted General Funds £000's	Designated Funds £000's	Restricted Funds £000's	Total Funds £000's
Fund balance at 31 March 2018				
Tangible fixed assets	2	-	-	2
Investments	821	-	-	821
Net current assets	1,151	1	1	1,153
	<u>1,974</u>	<u>1</u>	<u>1</u>	<u>1,976</u>

18. Reconciliation of net movement in funds to net cash flow from operating activities

	As at 31 March 19 £000's	As at 31 March 18 £000's
Net movements in funds	(67)	(37)
Losses/(gains) on investments	13	21
Dividends from investments	(35)	(39)
Depreciation	4	1
(Increase)/decrease in stocks	(1)	-
(Increase)/decrease in debtors	16	(6)
Increase/(decrease) in creditors	(147)	158
Net cash provided by operating activities	(217)	98

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CRANSLEY HOSPICE TRUST

Opinion

We have audited the financial statements of Cransley Hospice Trust for the year ended 31 March 2019 which comprise the Statement of Financial Activities, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard 102 (United Kingdom Generally Accepted Accounting Practice).

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 2019, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 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 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.

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 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 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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 13, 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.

In preparing the financial statements, the trustees are responsible for assessing the 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 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.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

Hawsons

David Owens
Senior Statutory Auditor

for and on behalf of:
Hawsons Chartered Accountants
Statutory Auditor
Jubilee House
32 Duncan Close
Moulton Park
Northampton
NN3 6WL

23 October 2019