

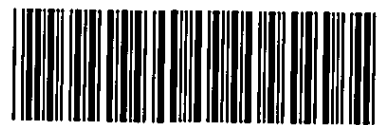
**ST GILES HOSPICE
(A COMPANY LIMITED BY GUARANTEE)**

**Trustees Report and Financial Statements
For the Year Ended
31 March 2009**

REGISTERED CHARITY NO. 509014

Company Number 1430090

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ST GILES HOSPICE
(A Company Limited by Guarantee)

COMPANY INFORMATION

FOR THE YEAR ENDED 31 MARCH 2009

Directors and Trustees	P Durrant (Chair) M Adams P Brown J Dain J Hoffman (appointed 27 August 2008) Dr R Horton S R James B Kumeta A Lindop (retired 25 September 2008) D Platt C Theaker T Tricker (appointed 27 August 2008) A Thompson L Williams
Secretary	S R James
Chief Executive Officer	P Holliday
Registered Office	Fisherwick Road Whittington Lichfield Staffordshire WS14 9LH
Registered Company Number	1430090
Registered Charity Number	509014
Auditors	Burman & Co Brunswick House, Birmingham Road Redditch, Worcestershire B79 6DY
Bankers	Lloyds TSB Bank Plc 125 Colmore Row Birmingham B3 2DS
Solicitors	Ansons LLP St. Marys Chambers, 5 Breadmarket Street Lichfield, Staffordshire WS13 6LQ
Investment Advisors	Barclays Wealth 1 Colmore Square Birmingham B4 6ES

Our primary purpose is to enable the best possible quality of living and dying for those who are terminally ill.

What we try to do:

- We work in partnership with the whole community we serve.
- We are committed to equity of access to all our services for the whole community.
- We work with the NHS to assist in the strategic planning of end of life care.
- We aim to be at the forefront of developments in the care of the terminally ill.
- We endeavour to manage our finances as efficiently as possible.
- We use our status as a local independent charity to be swiftly responsive to changing circumstances.
- We strive to care for both staff and volunteers to ensure the highest possible quality of care for our patients free at the point of delivery.

ST GILES HOSPICE (A Company Limited by Guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2009

1. Introduction

The trustees, who are also directors of the company for the purposes of the Companies Act 1985, are pleased to publish their annual report and audited financial statements for the year ended 31 March 2009. The trustees have adopted the provisions of the Statement of Recommended Practice 2005 (SORP 2005) "Accounting and Reporting by Charities" in preparing this annual report and financial statements, and have also had due regard to the requirements of the Charities Act 2006 and to the public benefit guidance published by the Charity Commission.

2. Structure, Governance and Management

St Giles Hospice was incorporated on 15 June 1979 and received its first in-patient on 12 April 1983. It is governed by a Memorandum and Articles of Association which were last subject to full review in 2002. The charity's overriding objective, as defined in the Memorandum, continues to be the care of people suffering from chronic or terminal illness. The Charity's aims (4.2 below) fully reflect the legal objects and purposes the Charity was set up to further.

2.1 The Governing Body

The Board of Trustees (the Board) is the governing body of St Giles Hospice (the Hospice). The purpose of the Board is to enable the Hospice to fulfil its charitable objectives by ensuring sound governance of the charity.

All trustees give their time voluntarily and received no benefits from the Charity.

There are thirteen trustees and the quorum for a meeting is three. The Board meets once every three months and during the year total attendances were sixty out of a possible total of seventy-seven.

Following a review of the skills required for the governance of the Charity during the previous year, the Board publicised its wish to add to the skill mix of the Board and twenty-three expressions of interest were received. Following a rigorous short listing and interview process, two new trustees were appointed with effect from 27 August 2008, with their election confirmed at the Annual General Meeting on 25 September 2008. The new trustees took part in an induction programme, including a tour of the Hospice sites and visits to the subsidiary companies, briefing on the new in-patient unit, a full day's attendance at the staff and volunteers' induction day and meetings with the Chairman and members of the Senior Management Team.

Trustees are elected by the members of the Company for a five-year term after which the trustee may stand for re-election. There is no limit to the number of times someone may be elected as a trustee. Trustees must be members of the Company. Membership of the Company is open to anyone, subject only to formal approval by the Board. There are currently 55 members of the Company.

A governance committee and four aspect governance committees, clinical, human resources, estates & facilities and finance, report directly to the Board of Trustees. Each committee, chaired by a trustee, comprises trustees and the Senior Management Team. Each aspect committee meets at least three times a year and the governance committee once a year. During the year, trustees and Heads of Departments spent two days away reviewing the Hospice's strategy. Following this, a Strategy Working Group was formed, comprising both trustees and members of the senior management team. This work was ongoing at the year end.

The trustees agree strategy and supporting objectives, delegating their execution to the Chief Executive. The Chief Executive is supported by a senior management team comprising the Medical Director, the Nursing Director and the Support Services Director (this post became vacant after the year end). The team meets weekly, chaired by the Chief Executive. All Head of Departments (eighteen, including the Senior Management Team) meet quarterly.

ST GILES HOSPICE (A Company Limited by Guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2009

2.2 Risk assessment and management

The trustees are responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities. In addition they are charged with providing reasonable assurance that:

- the charity is operating efficiently and effectively
- its assets are safeguarded against unauthorised use or disposition
- proper records are maintained and financial information used within the charity or for publication is reliable
- the charity complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable, but not absolute, assurance against material misstatement or loss. They include:

- an annual budget approved by trustees
- regular consideration by the trustees of financial results and variance from budgets
- regular consideration by the trustees of non-financial performance indicators and benchmarking reviews
- delegation of authority and segregation of duties
- risk assessment and management

The trustees, through the governance committees, have formal processes in place to assess clinical and business risks and to implement risk management strategies. This ongoing process involves identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of reducing them.

Management are responsible for implementing the trustees' policies, and identifying and evaluating risks for their consideration. Procedures are also in place for reporting failings immediately to appropriate levels of management, the trustees, and external regulatory bodies, together with details of corrective action being undertaken.

3. Subsidiary companies

The company has three subsidiary companies, St Giles Hospice Shops, limited by shares owned by the Hospice, St Giles Hospice (Promotions), limited by shares owned by the Hospice, and St Giles Hospice Developments, limited by guarantee, of which the Hospice is the sole member. The Shops Company acts as agent for the Hospice in the sale of donated goods and also sells new, bought-in goods. The Promotions Company runs the Hospice Lottery and the Developments Company is responsible for the construction of new buildings. The Board of Directors of each subsidiary company consists of both trustees of St Giles Hospice and other directors. The subsidiary company boards meet regularly and are responsible for their own policies and procedures. Certain support services of the Hospice, in particular Human Resources and Health and Safety, are shared with the subsidiary companies.

4. Objectives, Activities and Performance

4.1 The objects of the Charity

The primary objective of the Hospice, as defined in the Memorandum, is the care of people suffering from chronic or terminal illness. To enable it to fulfil this objective, the charity has the powers:

- to establish palliative care centres
- to encourage research into the care and treatment of the terminally ill
- to promote and encourage the training of doctors, nurses and other clinicians
- to provide physical, psychological, emotional and spiritual help and guidance
- to provide bereavement support to relatives
- to conduct clinics and out-patient appointments

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2009

4.2 The aims of the Charity

St Giles aims to provide the best possible quality of care for adults who are terminally ill and for both adults and children with lymphoedema. We strive to achieve this through the provision and promotion of comprehensive, holistic, specialist care. We aim to provide our patients and their relatives with care that meets the individual needs of the patients to ensure that they achieve the best possible quality of life.

Our objective to maintain the optimum quality of life entails the provision of a caring and supportive environment to ensure that the privacy and dignity of our patients are respected and independence is achieved for as long as possible. Patients have a choice, in most cases, of receiving support at home or in purpose built, welcoming surroundings provided by our Day Hospice and In-patient Unit.

As far as is practicable, we will relieve the physical, emotional, social, psychological and spiritual suffering of all our patients, whilst respecting their individuality and choice. We make every attempt to ensure that the last stage of an incurable illness becomes a shared journey, helping the patient die peacefully and with dignity. We use best practice to minimise pain and other distressing symptoms.

We recognise that the families and carers of patients under our care may need help and support from us. As far as is practicable, our service will meet the needs of our patients' relatives and carers. We offer professional advice and support during the patients' illness and during the initial stages of bereavement.

It is also our aim to promote the development of specialist care in areas where we derive expertise directly from our primary aim, even though such areas may not themselves be linked to a limited life expectancy. Thus we have established our lymphoedema clinic where our objective is to apply specialist knowledge and techniques to improve mobility by reducing swellings. We also run a lymphoedema clinic specifically for children.

We aim to ensure that all staff and volunteers work in an environment committed to continuous learning and which is supportive and responsive to their requirements. We ensure that all staff and volunteers receive the training and support required to enable the Hospice to achieve best practice, which reflects published research evidence and specialist guidance issued by professional and expert bodies in palliative care.

4.3 Public benefit

For a number of years, St Giles Hospice's strategy has been based on eight principal objectives. During the year, work began on a major revision to our strategy which will come into force during the coming year. This is a major part of our planning for 2009/10. Our eight existing principal objectives are undertaken to further our charitable purposes for the public benefit, as follows:

4.3.1 Best possible quality of living

St Giles Hospice's primary purpose is to enable the best possible quality of living and dying for those who are terminally ill. During the year, building commenced on a new In-patient Unit which will have the capacity to take up to twenty-seven patients. The building is due for completion by the end of November 2009 and we plan to admit our first patients in April 2010.

The Hospice at Home Team has been expanded significantly to meet the growing demand for patients who are terminally ill to remain at home as long as possible. During the year, the team supported 355 patients in their own homes, an increase of almost 20% on the previous year. We plan to offer a further extension of this service in the coming year. When our Hospice at Home Team is involved with a patient in the last days of life, almost every patient is able to die in their own home.

4.3.2 Partnership with the community

St Giles Hospice is deeply conscious of its responsibility to the whole community it serves as the area's major independent charity.

Fulfilment of this objective demands close communication with the community served by the Hospice and the involvement of that community in its work.

Two newsletters were published during the year and circulated to all known supporters of St Giles Hospice, including all members of the lottery. A planned series of press releases ensures regular media coverage for the Hospice.

ST GILES HOSPICE (A Company Limited by Guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2009

At the start of the year we celebrated the Hospice's 25th anniversary. One way in which this was marked was the circulation of an information news sheet explaining the Hospice's services to every house in the catchment area.

St Giles Hospice would be unable to deliver its level of care without the substantial contribution made by volunteers working at the Hospice site and within the subsidiary companies. The Hospice has over 900 formally registered volunteers working in all aspects of its life. Whilst the equivalent financial contribution of these volunteers is well in excess of £1m, volunteers also embody the ethos of the Hospice culture of freely given time and talents to care for some of the most vulnerable people within the community.

During the year, the Capital Appeal continued to raise money towards the new In-patient Unit but, in view of the downturn in the economy, it became apparent that this was going to be a slower project than originally envisaged. The decision was therefore taken to recruit fundraising consultants to assist with this work. After a short listing and interview process, Craigmyle were appointed to this task. By the end of the year, £1.8m had been raised towards the target of £4m. During the coming year, the focus will move from a Capital Appeal for the new building to a public Development Campaign to fund the final fitting out of the new Unit and to raise the additional running costs over the first three years of the new building.

4.3.3 Widening Access

St Giles Hospice is committed to equity of access to our services for the whole community, including patients' carers, irrespective of race, faith and disease.

During the year, the Hospice continued to care for end of life patients with diseases other than cancer. The Hospice continues to see a growing number of patients with neurological conditions.

During the year, consideration was given to the care of young adults previously receiving care within children's hospices. We are monitoring pilot projects at other hospices to inform how we best move forward.

4.3.4 In Collaboration with Health and Social Care Providers and the Voluntary Sector

St Giles believes it best serves the community by working in collaboration with the National Health Service, Social Services and Voluntary Sector Providers.

During the year, Hospice staff have contributed to the development of palliative care strategy, both within Primary Care Trusts and within local Palliative Care Networks. This has taken on a new impetus with publication of the Government's End of Life Care Strategy during the year. The Education Department is part of a three-hospice consortium providing courses for NHS staff in specialist palliative care. Primary Care Trusts are considering new models of financing palliative care and the Hospice is engaging actively in discussions around a variety of models.

The End of Life Care Strategy will provide opportunities for the Hospice to work in closer collaboration with NHS partners. This has already begun and it is anticipated that an extension of existing services will be a significant feature of the coming year.

St Giles plays a full part in local Palliative Care Networks, is a member of the National Council for Palliative Care and contributes substantially to the work of Help the Hospices, an independent national charity which supports the Hospice movement. During the year the Chief Executive, already Chair of the UK-wide Hospice Advisory Council which advises national charity Help the Hospices on its work, was elected Deputy Chair of Help the Hospices.

4.3.5 New Expertise

St Giles Hospice strives to be at the forefront of developments in the care of the terminally ill.

The holistic care of patients includes support for their carers and during the year the programme of support programmes was extended at the Sutton Coldfield Hospice.

ST GILES HOSPICE (A Company Limited by Guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2009

Over the last few years, we have significantly developed and refined our model of working through the Hospice at Home service. This was recognised by one local primary care trust which funded the Hospice to provide the professional lead to a consortium approach to the provision of Hospice at Home services involving a national charity and the provider arm of the primary care trust.

4.3.6 Best Value

St Giles Hospice supplies its services without charge to patient or carer.

To enable the Hospice to continue offering services without cost demands continuing discussions over funding with the NHS, the maximisation of existing income streams, the development of new initiatives and being cost effective in the delivery of services.

The proportion of income derived from the NHS has been slowly declining and during recent years the Hospice has become more dependent upon legacy income, on which it now relies for a significant part of its revenue funding. Strategic discussions have taken place during the year to look at new pathways of funding from the NHS in an attempt to ensure a more robust pattern of statutory funding. Negotiations continue and it is envisaged that major changes will come into effect from April 2010.

In common with all independent hospices, care was offered without charge throughout the catchment area which means substantial resources have to be invested in fundraising. During the year, the Solstice Walk raised in excess of £100,000. The Fundraising Department also introduced a number of new fundraising initiatives as a strategy to meet the implications of the recession. The trading subsidiary companies once again produced a combined net profit in excess of £1.5m. The work of the Fundraising Department supplied the balance of non-NHS income.

During the year, three new shops were opened, at Brownhills, a superstore in Mere Green and a bookshop in Lichfield. During the coming year we are hopeful of opening two more shops.

4.3.7 Independent and Innovative

St Giles Hospice is an independent charity, reliant on the local community for the funding of its work.

Being local and independent enables the charity to respond quickly to new service ideas and income generation opportunities. During the year a dedicated website for children with lymphoedema was successfully launched. Initiatives emanating from the End of Life Care Strategy have been swiftly taken up including discussions with other providers with a view to creating strategic alliances to meet the opportunities afforded by the End of Life Care Strategy.

4.3.8 Supportive and Caring

St Giles' commitment to delivery of the highest standard of care can only be met through recruiting the highest quality staff and volunteers and ensuring their continued development and support. Further, this dedication to care can only have integrity if all volunteers and staff throughout the St Giles Group feel cared for.

St Giles believes that motivated and enthusiastic staff are key to ensuring success in its primary purpose of enabling the best possible quality of living and dying for those who are terminally ill. During the year, there was a modest increase in the employer's contribution to the Group Personal Pension Scheme, whilst conditions for entry were relaxed to enable greater participation.

5. Financial Review

The trustees have reviewed the reserves of the charity including the nature of the income and expenditure streams, the need to match variable income and fixed commitments, and the nature of the reserves.

The trustees consider that to allow the charity to be managed efficiently and to provide a buffer for uninterrupted service, the charity should have between four months' and two years' expenditure available in free reserves to cover periods of insufficient public support.

ST GILES HOSPICE (A Company Limited by Guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2009

The free reserves at 31 March 2009 stood at 9 months of current annual expenditure down from 20 months at 31 March 2008. This results from the commitment of £3.8m of free reserves at the year end to finance completion of the in-patient unit.

The movements in fixed assets during the year are set out in note 8 to the financial statements.

The Hospice's investments are managed by Barclays Wealth, who were appointed investment managers in 2004. The investment managers provide six-monthly reports which are reviewed by both the Finance Governance Committee and the trustees.

The investment objectives are to achieve long term capital and income growth in a moderately conservative manner, following guidelines agreed by the trustees. The investment managers have discretion in the management of a portfolio within given criteria. The investments and corresponding Capital Reserve Fund have been largely liquidated during the year in readiness for the new In-patient Unit.

The Memorandum and Articles of Association permit funds to be invested as the trustees see fit, providing these powers of investment are only exercised for the purpose of attaining the objectives and in a manner that is legally charitable.

6. Trustees' responsibilities in relation to the financial statements

The trustees are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the surplus or deficit of the charity for that period. In preparing these financial statements, the trustees are required to;

- select suitable accounting policies and then apply them consistently
- make judgements and estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

7. Statement as to disclosure of information to auditors

So far as the trustees are aware, there is no relevant audit information (as defined by Section 234ZA of the Companies Act 1985) of which the charity's auditors are unaware, and each trustee has taken all the steps that he ought to have taken as a trustee in order to make himself aware of any relevant audit information and to establish that the charity's auditors are aware of that information

8. Auditors

The charity's auditors, Burman & Co, have indicated their willingness to continue in office and, in accordance with Section 385 of the Companies Act 1985, a resolution proposing their re-appointment will be put to the Annual General Meeting.

ST GILES HOSPICE (A Company Limited by Guarantee)

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31 MARCH 2009

9. Annual General Meeting

The Annual General Meeting of the charity will be held on Thursday 24 September 2009 at 7.30pm in St Giles Education Department, Main Street, Whittington, Staffordshire.

10. Concluding remark

At the conclusion of another successful year, the trustees wish to place on record their deep appreciation to staff, volunteers and supporters for the development of St Giles Hospice and the supply of its services which, during the year, have ensured that many vulnerable people within our catchment area have indeed received the highest possible quality of care.

A handwritten signature in black ink, appearing to read 'Simon James', is written over the printed name.

By order of the Board
Simon James (Secretary)
14 August 2009

ST GILES HOSPICE (A Company Limited by Guarantee)

Report of the Independent Auditors to the Members of St Giles Hospice Limited

We have audited the financial statements of St Giles Hospice Limited for the year ended 31 March 2009 which comprise the statement of financial activities, balance sheet, cash flow statement and related notes. These financial statements have been prepared under the historical cost convention and on the basis of the accounting policies set out therein.

This report is made solely to the charitable company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees (who are also the directors of St Giles Hospice Limited for the purposes of company law) are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the report of the trustees is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the charitable company is not disclosed.

We read other information contained in the trustees' annual report, and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company and group as at 31 March 2009 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Burman & Co
Chartered Accountants and Registered Auditors, Redditch.

14 August 2009



ST GILES HOSPICE (A Company Limited by Guarantee)**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (Incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2009**

	Note	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
INCOMING RESOURCES					
INCOMING RESOURCES FROM GENERATED FUNDS					
Voluntary income	2	2,401,634	176,486	2,578,120	2,534,788
Activities for generating funds	3	3,841,359	33,760	3,875,119	3,501,238
Investment income	4	468,160	-	468,160	442,366
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES					
Grants - NHS		1,872,267	-	1,872,267	1,681,263
Grants - Department of Health Dignity in Care grant		-	-	-	500,000
Trust income		-	286,300	286,300	88,750
Recharged services		225,331	-	225,331	261,237
Sundry income		35,559	-	35,559	30,876
OTHER INCOMING RESOURCES	5	145,000	-	145,000	-
Total incoming resources		8,989,310	496,546	9,485,856	9,040,518
RESOURCES EXPENDED					
COSTS OF GENERATING FUNDS					
Costs of generating voluntary income		138,212	59,032	197,244	94,739
Costs of activities for generating funds		2,219,069	12,035	2,231,104	1,820,612
Costs of investment management		7,767	-	7,767	25,882
CHARITABLE ACTIVITIES		5,270,198	221,987	5,492,185	5,231,439
GOVERNANCE COSTS		40,564	-	40,564	39,494
Total resources expended	6	7,675,810	293,054	7,968,864	7,212,166
Net income / (expenditure) for the year before transfers		1,313,500	203,492	1,516,992	1,828,352
Gross transfers between funds		14,628	(14,628)	-	-
Net income / (expenditure) for the year before other recognised gains / (losses)		1,328,128	188,864	1,516,992	1,828,352
Gains on investment assets					
Realised		(35,040)	-	(35,040)	(21,109)
Unrealised		(189,278)	-	(189,278)	(111,164)
Net movement in funds		1,103,810	188,864	1,292,674	1,696,079
Total funds brought forward		9,337,078	5,673,379	15,010,457	13,314,378
Total funds carried forward	13 & 14	10,440,888	5,862,243	16,303,131	15,010,457

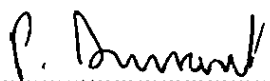
All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. In accordance with the exemption allowed under section 230 of the Companies Act 1985, as amended, the company's profit and loss account is not separately presented.

ST GILES HOSPICE (A Company Limited by Guarantee)**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009**

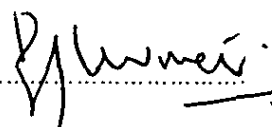
	Note	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Fixed assets					
Tangible assets	8	7,600,785	7,599,559	5,443,188	5,440,191
Investments	9	810,735	810,739	1,270,823	1,270,827
		<u>8,411,520</u>	<u>8,410,298</u>	<u>6,714,011</u>	<u>6,711,018</u>
Current assets					
Stock	10	157,638	16,550	70,409	16,129
Debtors	11	557,767	575,342	731,681	1,040,841
Cash at bank and in hand		8,547,037	7,963,551	8,590,306	7,853,652
		<u>9,262,442</u>	<u>8,555,443</u>	<u>9,392,396</u>	<u>8,910,622</u>
Creditors (amounts falling due within one year)	12	(1,370,831)	(662,610)	(1,095,950)	(611,183)
		<u>7,891,611</u>	<u>7,892,833</u>	<u>8,296,446</u>	<u>8,299,439</u>
Net current assets					
		<u>16,303,131</u>	<u>16,303,131</u>	<u>15,010,457</u>	<u>15,010,457</u>
Total net assets					
		<u>16,303,131</u>	<u>16,303,131</u>	<u>15,010,457</u>	<u>15,010,457</u>
Funds					
Unrestricted funds	13	9,630,153	9,630,153	8,066,255	8,066,255
Unrestricted capital reserve fund	13	810,735	810,735	1,270,823	1,270,823
Restricted funds	14	5,522,243	5,522,243	5,333,379	5,333,379
The Muriel Saveker nursing support fund	14	340,000	340,000	340,000	340,000
		<u>16,303,131</u>	<u>16,303,131</u>	<u>15,010,457</u>	<u>15,010,457</u>
Total funds					
		<u>16,303,131</u>	<u>16,303,131</u>	<u>15,010,457</u>	<u>15,010,457</u>

Approved by the trustees on 14 August 2009 and signed on their behalf.

Chairman



P Durrant



B Kumeta

ST GILES HOSPICE (A Company Limited by Guarantee)**CONSOLIDATED CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 MARCH 2009**

	Note	2009 £	2008 £
Net cash inflow from activities	(i)	1,573,237	1,295,933
Returns on investments and servicing of finance			
Interest received		434,562	373,916
Dividend income		33,598	68,450
		468,160	442,366
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(2,320,436)	(965,812)
Purchase of investments		(95,246)	(472,757)
Proceeds from sales of investments		191,792	2,819,418
		(2,223,890)	1,380,849
Increase/(Decrease) in cash in the year	(ii)	(182,493)	3,119,148

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2009

	2009 £	2008 £
(i) Reconciliation of changes in resources to net inflow from operating activities		
Net incoming resources	1,516,992	1,828,352
Investment income	(468,160)	(442,366)
Depreciation charge	162,839	154,289
(Increase)/Decrease in stocks	(87,229)	(30,366)
(Increase)/Decrease in debtors	173,914	(478,570)
Increase/(Decrease) in creditors	274,881	264,594
	1,573,237	1,295,933

(ii) Analysis of net cash resources

	1 April 2008 £	Cash flow £	31 March 2009 £
Cash at bank and in hand	8,590,306	(43,269)	8,547,037
Capital reserve fund cash	375,819	(139,224)	236,595
	8,966,125	(182,493)	8,783,632

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP 2005), "Accounting and Reporting by Charities" published in March 2005, applicable UK Accounting Standards and the Charities Act 1993.

The financial statements consolidate the accounts of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

(b) Company Status

The charity is a company limited by guarantee. 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 guarantee remains in force for one year after cessation of membership of the company.

(c) Fund accounting

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

The capital reserve fund comprises unrestricted funds that have been set aside by the trustees to contribute towards the running costs of the hospice in the event of insufficient public support.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

(d) Depreciation

Depreciation is calculated to write-off the tangible assets by equal annual instalments over their estimated useful lives. The principal rates in use are:

Freehold buildings	2% of cost
Long leasehold buildings	2% of cost
Fixtures, fittings & equipment	20% of cost
Computer equipment	33.3% of cost
Motor vehicles	20% of cost

The charity has adopted a policy of writing off, in the year of acquisition, all fixed assets costing £2,500 or less and also all expenditure upon shop fittings.

(e) Donations

Donations are credited to income and expenditure accounts in the year in which they are receivable.

ST GILES HOSPICE (A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

1. ACCOUNTING POLICIES (continued)

(f) Capital grants and legacies

Capital grants and legacies receivable but not yet received are credited to income provided there is known entitlement and certainty of receipt and the amount can be measured with reasonable accuracy.

(g) Grants from and services recharged to National Health Service Trusts

Contributions and fees from National Health Service Trusts are credited to income in the period to which they relate.

(h) Resources expended

All expenditure is accounted for on an accruals basis and is recognised when there is a legal or constructive obligation to pay for expenditure. All costs have been directly attributable to one of the functional categories of resources expended in the statement of financial activities. Governance costs include those costs associated with meeting the constitutional and statutory requirements.

(i) Stock

Stock is stated at the lower of cost and net realisable value.

(j) Pension contributions

Pension contributions to both the group personal pension plan and the NHS superannuation scheme are charged against income when payable.

(k) Investments

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

2. ANALYSIS OF VOLUNTARY INCOME

	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
Donations	670,058	174,245	844,303	1,388,748
Voluntary fundraising	211,081	-	211,081	341,918
Legacies	1,520,495	2,241	1,522,736	804,122
	<u>2,401,634</u>	<u>176,486</u>	<u>2,578,120</u>	<u>2,534,788</u>

ST GILES HOSPICE (A Company Limited by Guarantee)**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2009****3. ANALYSIS OF ACTIVITIES FOR GENERATING FUNDS**

	Unrestricted Funds £	Restricted Funds £	Total 2009 £	Total 2008 £
Fundraising events	283,732	33,760	317,492	246,833
Merchandising income	3,443,522	-	3,443,522	3,218,779
Gift aid recovery	114,105	-	114,105	35,626
	<u>3,841,359</u>	<u>33,760</u>	<u>3,875,119</u>	<u>3,501,238</u>

MERCHANDISING INCOME AND COSTS

The charity has two wholly owned trading subsidiaries which are incorporated in the UK. St Giles Hospice Shops Limited acts as an agent for St Giles Hospice for the sale or other disposal of donated goods and also sells bought in goods which form its trading activities. The principal activity of St Giles Hospice (Promotions) Limited is the running of a lottery but it also undertakes other promotional activities. Both companies gift aid their taxable profits to St Giles Hospice. A summary of their trading results is shown in the profit and loss account, set out below.

PROFIT AND LOSS ACCOUNT

	Donated Goods £	St Giles Hospice Shops Ltd £	Total Shops Activities £	St Giles Hospice (Promotions) Ltd £	Total 2009 £	Total 2008 £
Merchandising income	1,436,305	253,973	1,690,278	1,753,244	3,443,522	3,218,779
Gift aid recovery	114,105	-	114,105	-	114,105	35,626
Interest receivable	-	5,292	5,292	22,319	27,611	37,042
	<u>1,550,410</u>	<u>259,265</u>	<u>1,809,675</u>	<u>1,775,563</u>	<u>3,585,238</u>	<u>3,291,447</u>
Cost of sales	7,197	105,671	112,868	390,952	503,820	483,624
Other operating costs before gift aid	1,132,337	29,089	1,161,426	365,528	1,526,954	1,282,652
	<u>1,139,534</u>	<u>134,760</u>	<u>1,274,294</u>	<u>756,480</u>	<u>2,030,774</u>	<u>1,766,276</u>
Operating profit	<u>410,876</u>	<u>124,505</u>	<u>535,381</u>	<u>1,019,083</u>	<u>1,554,464</u>	<u>1,525,171</u>
Gift aided to St.Giles Hospice	-	124,505	124,505	1,019,083	1,143,588	1,103,921
Net assets/ (liabilities)	-	2	2	2	4	4

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

4. INVESTMENT INCOME

	2009 £	2008 £
Bank interest received	429,712	330,298
Interest on Government Treasury Stock	4,850	43,618
Dividend income	33,598	68,450
	<u>468,160</u>	<u>442,366</u>

5. OTHER INCOMING RESOURCES

Compensation received arising from early vacation of rented property	<u>145,000</u>	<u>-</u>
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6. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	2009 Total £	2008 Total £
Cost of generating funds					
Costs of generating voluntary income	197,244	-	-	197,244	94,739
Costs of activities for generating funds	771,469	2,026	1,457,609	2,231,104	1,820,612
Costs of investment management	-	-	7,767	7,767	25,882
Charitable activities					
Hospice services	3,954,572	160,813	1,376,800	5,492,185	5,231,439
Governance costs	31,418	-	9,146	40,564	39,494
	<u>4,954,703</u>	<u>162,839</u>	<u>2,851,322</u>	<u>7,968,864</u>	<u>7,212,166</u>

Other costs include:

	2009 £	2008 £
Auditors' remuneration:		
Hospice:		
Audit fee	7,080	6,875
Accountancy, taxation & other services	<u>3,720</u>	<u>4,125</u>
Subsidiaries:		
Audit fees	4,500	4,725
Accountancy, taxation & other services	<u>4,250</u>	<u>4,225</u>

ST GILES HOSPICE (A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

7. STAFF COSTS

	2009 £	2008 £
Salaries & wages	4,304,040	3,986,440
Social security costs	341,396	319,763
Pension costs	309,267	277,706
	<u>4,954,703</u>	<u>4,583,909</u>

(a) Employees

The average number of persons employed during the year (including part-time but excluding volunteers), calculated on a full time equivalent basis, analysed by function was:-

	2009 No.	2008 No.
Hospice services	132	126
Fundraising	5	5
Education & training	5	4
Merchandising	47	41

(b) Volunteers

During the year the hospice has benefited substantially from the regular services of 449 (2008: 429) volunteers. Additionally, volunteers working at St Giles Hospice Shops Limited and its associated warehouse number approximately 600 (2008: 502). St Giles Hospice (Promotions) Limited have also received the assistance of 3 (2008: 1) volunteers during the year.

(c) Emoluments

The number of employees whose emoluments amounted to over £60,000 in the year was as follows:

	2009 No.	2008 No.
£60,001 - £70,000	1	-
£70,001 - £80,000	-	-
£80,001 - £90,000	-	1
£90,001 - £100,000	1	1

No trustee of St Giles Hospice Limited or director of St Giles Hospice (Promotions) Limited or St Giles Hospice Developments (Limited by Guarantee), received any emoluments during the year (2008:£Nil). The trustees neither received nor waived any emoluments during the year (2008:£Nil). Trustees received £133 reimbursement for out of pocket expenses (2008: £41) .

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

8. TANGIBLE FIXED ASSETS

GROUP

	Freehold Land & Buildings £	Leasehold Land & Buildings £	Fixtures, Fittings & Equipment £	Short Leasehold Properties £	Motor Vehicles £	Total £
Cost at 1 April 2008	4,889,087	1,373,971	1,023,666	15,250	81,441	7,383,415
Additions	2,128,640	154,605	37,191	-	-	2,320,436
Disposals	-	-	(3,613)	-	-	(3,613)
Cost at 31 March 2009	<u>7,017,727</u>	<u>1,528,576</u>	<u>1,057,244</u>	<u>15,250</u>	<u>81,441</u>	<u>9,700,238</u>
Accumulated Depreciation						
At 1 April 2008	943,370	27,478	905,445	15,250	48,684	1,940,227
Charge for the year	78,829	28,870	46,318	-	8,822	162,839
Eliminated on disposal	-	-	(3,613)	-	-	(3,613)
At 31 March 2009	<u>1,022,199</u>	<u>56,348</u>	<u>948,150</u>	<u>15,250</u>	<u>57,506</u>	<u>2,099,453</u>
Net Book Value						
At 31 March 2009	<u>5,995,528</u>	<u>1,472,228</u>	<u>109,094</u>	<u>-</u>	<u>23,935</u>	<u>7,600,785</u>
At 31 March 2008	<u>3,945,717</u>	<u>1,346,493</u>	<u>118,221</u>	<u>-</u>	<u>32,757</u>	<u>5,443,188</u>

Included in the group assets above are fixed assets of the subsidiary undertakings amounting to £1,226 (2008: £2,997) at net book value.

Capital Commitments

	Group and Company 2009 £	Group and Company 2008 £
Contracted not provided	<u>4,931,946</u>	<u>-</u>

ST GILES HOSPICE (A Company Limited by Guarantee)**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2009****9. INVESTMENTS****(i) Investment in subsidiary companies**

The company owns the whole of the issued share capital, in the form of ordinary shares, of St Giles Hospice Shops Limited and St Giles Hospice (Promotions) Limited.

	2009 £	2008 £
Shares in group companies at cost	4	4

St Giles Hospice Developments (Limited by Guarantee) is under the effective control of the directors of St Giles Hospice Limited. Its principal activity is the planning, development and construction of new buildings, currently being the new In-Patient Unit on the Whittington site, and is therefore consolidated into the holding company.

(ii) Capital reserve fund

Capital reserve fund Investments	2009 £	2008 £
Market value at 1 April	895,004	3,373,937
Add: additions at cost	95,246	472,757
Less: disposals at opening value	(226,832)	(2,840,526)
Net gains/(losses) on revaluation	(189,278)	(111,164)
Market value at 31 March	574,140	895,004
Cost as at 31 March	522,808	521,029

Investments held at 31 March which represent over 5% of the portfolio value are:

	2009 Market value £	2008 Market value £
Euro Inv. Bank 4.5% GTD MTN	-	76,277
Treasury 4.75% stock 2015	67,590	-
GE Capital UK 5.125% GTD EMTN	41,450	-
M & G Securities Ltd Corp	30,387	-
Royal Dutch Shell 'B' ord EURO 0.7	30,620	-
Glaxosmithkline ord 25p	29,808	-
	199,855	76,277
Other UK listed securities	332,788	715,673
	532,643	791,950
Holdings in non UK listed securities	41,497	103,054
Investments held at 31 March	574,140	895,004
Cash on deposit awaiting investment at 31 March	236,595	375,819
Balance at 31 March	810,735	1,270,823

Summary of investments

	Group 2009 £	Company 2009 £	Group 2008 £	Company 2008 £
Investment in subsidiary companies	-	4	-	4
Capital reserve fund investments	810,735	810,735	1,270,823	1,270,823
	810,735	810,739	1,270,823	1,270,827

ST GILES HOSPICE (A Company Limited by Guarantee)**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 MARCH 2009****10. STOCK**

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Medical stock	16,550	16,550	16,129	16,129
Merchandising stock	23,543	-	20,358	-
Work in progress	117,545	-	33,922	-
	<u>157,638</u>	<u>16,550</u>	<u>70,409</u>	<u>16,129</u>

11. DEBTORS

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Trade debtors	94,762	94,574	278,622	278,403
Amount due from subsidiary companies	-	200,807	-	398,791
Other debtors	165,616	15,830	75,047	26,533
Prepayments & accrued income	297,389	264,131	378,012	337,114
	<u>557,767</u>	<u>575,342</u>	<u>731,681</u>	<u>1,040,841</u>

12. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	2009 Group £	2009 Company £	2008 Group £	2008 Company £
Trade creditors	205,305	157,052	207,986	121,714
Amount due to subsidiary companies	-	5,574	-	7,134
Taxation & social security	88,321	88,321	80,664	76,545
Superannuation	27,986	27,986	25,256	25,256
Accruals	585,189	275,701	226,953	150,845
Deferred income	464,030	107,976	555,091	229,689
	<u>1,370,831</u>	<u>662,610</u>	<u>1,095,950</u>	<u>611,183</u>

NOTES TO THE FINANCIAL STATEMENTS**FOR THE YEAR ENDED 31 MARCH 2009****13. UNRESTRICTED FUNDS**

Group and Company

Analysis of Funds

	2009 Accumulated Fund £	2009 Capital Reserve Fund £	2009 Total £	2008 Total £
Balance at 1 April	8,066,255	1,270,823	9,337,078	8,739,624
Net incoming resources	1,328,128	-	1,328,128	729,727
Transfer from capital reserve fund	235,770	(235,770)	-	-
Increase/(decrease) in market value of investments	-	(189,278)	(189,278)	(111,164)
Realised gains/(losses)	-	(35,040)	(35,040)	(21,109)
Balance at 31 March	9,630,153	810,735	10,440,888	9,337,078

14. RESTRICTED FUNDS

Group and Company

(i) RESTRICTED FUNDS

	Balance at 1 April 2008 £	Net incoming resources £	Balance at 31 March 2009 £
New In-Patient Unit fund	1,086,025	322,138	1,408,163
Barn Farm development fund	1,529,846	(51,936)	1,477,910
Capital appeal funds	2,677,292	(74,202)	2,603,090
John Haller memorial	10,000	-	10,000
The Muriel Saveker nursing support fund	340,000	-	340,000
Other restricted funds	30,216	(7,136)	23,080
	5,673,379	188,864	5,862,243

The new In-Patient Unit fund represents funds already received towards the building of the new In-Patient Unit.

Capital appeal funds represent monies raised in the past to fund the construction of the hospice, including later additions. Depreciation on freehold property is charged against this fund.

The John Haller memorial represents funds available for the promotion of educational projects amongst staff.

The Muriel Saveker nursing support fund was established to finance the cost of clinical nurse specialists working in the community from St Giles Hospice, Sutton Coldfield.

ST GILES HOSPICE (A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2009

15. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2009 £
Fund balances at the balance sheet date are represented by:			
Tangible fixed assets	412,839	7,187,946	7,600,785
Fixed asset Investments	810,735	-	810,735
Current assets	10,588,145	(1,325,703)	9,262,442
Current liabilities	(1,370,831)	-	(1,370,831)
Total net assets	<u>10,440,888</u>	<u>5,862,243</u>	<u>16,303,131</u>

16. PENSIONS

Staff previously employed by the National Health Service and who were members of the National Health Service Superannuation Scheme continue to be members of that scheme. All other staff may become members of St Giles Hospice group personal pension plan.

17. RELATED PARTY TRANSACTIONS

During the year St Giles Hospice (Promotions) Limited purchased services from businesses associated with one of its directors, totalling £6,510.

During the year St Giles Hospice Shops Limited purchased services from businesses associated with two of its directors, totalling £6,420.

In addition, the holding company purchased services from businesses associated with one director of its subsidiary companies, totalling £391 (2008: £3,244).