

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

**Trustees' Report and Financial Statements
For the Year Ended
31 March 2012**

REGISTERED CHARITY NO. 509014

Company Number 1430090



ST GILES HOSPICE (A Company Limited by Guarantee)

(Company Number 1430090)

**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2012**

	Page
Company Information	1
Report of the Trustees	2
Report of the Independent Auditors	12
Consolidated Statement of Financial Activities	14
Consolidated Balance Sheet	15
Consolidated Cash Flow Statement	16
Notes to the Financial Statements	17

ST GILES HOSPICE (A Company Limited by Guarantee)

COMPANY INFORMATION 31ST MARCH 2012

Directors and Trustees	Mary Adams John Dain Peter Durrant (Deputy Chair) Simon Fisher Alison Fowler Joanne Hoffman Dr Robert Horton Simon James (Chair) Bernard Kumeta David Platt Charles Theaker Adrian Thompson Lilith Williams Margaret Wood	 - retired 22 September 2011 - elected 22 September 2011 - elected 22 September 2011 - elected 22 September 2011 - elected 22 September 2011 - retired 19 December 2011 - elected 22 September 2011
Senior Management Team	Peter Holliday Dr Pamela Choudhury Emma Hodges Sarah Riches	 - Chief Executive - Medical Director - Deputy Chief Executive & Company Secretary - Registered Manager & Nursing Director
Registered Office	Fisherwick Road Whittington Lichfield Staffordshire, WS14 9LH	
Registered Company Number	1430090	
Registered Charity Number	509014	
Auditors	Burman & Co Chartered Accountants & Statutory Auditors Brunswick House, Birmingham Road Redditch, Worcestershire, B97 6DY	
Bankers	Lloyds TSB Bank Plc 125 Colmore Row Birmingham, B3 2DS	
Solicitors	Pickerings Solicitors LLP Etchell House, Bonehill Road Tamworth, Staffordshire, B78 3HQ	
Investment Advisors	Barclays Wealth 1 Colmore Square Birmingham, B4 6ES	

**St Giles Hospice
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
for the year ended 31 March 2012**

OUR AIMS

- *To become the preferred provider – whether alone or with others – of the care and support of anyone in our locality affected by death or dying.*
- *To develop the inpatient facility, the Compassus Centre*, as a nationally regarded centre of excellence in the care of those with the most complex clinical needs at the end of life.*
- *To develop and promote the nationally regarded lymphoedema service for children and adults to ensure the continued availability of the highest possible quality of lymphoedema care.*
- *To extend our community engagement to promote more open discussion of matters relating to death and dying within the communities we serve.*

* **Compassus** *n* a deep awareness of the suffering of another, coupled with the wish to relieve it

St Giles Hospice
(A Company Limited by Guarantee)

TRUSTEES' REPORT
for the year ended 31 March 2012

1 Introduction

The Trustees, who are also directors of the company for the purposes of the Companies Act 2006, are pleased to publish their annual report and audited financial statements for the year ended 31 March 2012. 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 2011 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 (4.3 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.

As reported in the last Trustees' Report, John Dain did not seek re-election as a trustee when his term of office expired at the AGM on 22 September 2011 and his retirement was confirmed.

In December 2011, Lilieth Williams resigned as a trustee. Lilieth served as a trustee from 1998 and was a member of the Human Resources Aspect Governance Committee and her wisdom, guidance and contribution to decision making will be missed.

On 22 September 2011, the Walsall Hospice charity formally passed its assets to St Giles Hospice, thus completing a merger for the benefit of patient care in Walsall. Following the merger, three new trustees, Simon Fisher, Alison Fowler and Margaret Wood were recommended for appointment and confirmed at the Annual General Meeting in September 2011.

When new trustees are appointed, an induction programme is arranged, including a tour of the Hospice sites and visits to the subsidiary companies, a briefing on current developments both at the Hospice and in palliative care more generally, a full day's attendance at the staff and volunteers' induction day and meetings with the Chairman and members of the Senior Management Team.

There are twelve trustees and the quorum for a meeting is three. The Board meets regularly once every three months to review performance in the previous quarter. During the year there was one extra meeting following the AGM to appoint a new Chairman, Simon James, and Deputy Chairman, Peter Durrant. During the year total attendances were forty out of a possible total of forty seven.

Trustees are elected by the members of the Company. At the 2011 AGM it was agreed to reduce the term of office from five years to three years, after which a trustee may stand for re-election. It was also agreed that there should be no reference to the age of trustees. There is no limit to the number of times someone may be elected as a trustee. Peter Durrant, Dr Robert Horton, Charles Theaker, David Platt and Adrian Thompson

St Giles Hospice
(A Company Limited by Guarantee)

TRUSTEES' REPORT
for the year ended 31 March 2012

offer themselves for re election at the 2012 Annual Meeting 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 five aspect governance committees - clinical, estates & facilities, finance, fundraising and human resources - report directly to the Board of Trustees Each committee, chaired by a trustee, comprises trustees and the Senior Management Team Four of the aspect committees meet at least three times a year and the estates and facilities aspect committee and the governance committee at least once a year

The Trustees agree strategy and supporting objectives, delegating their execution to the Chief Executive and the Senior Management Team, comprising the Medical Director, the Nursing Director, and the Deputy Chief Executive, previously the Business Support Director The team meets weekly, chaired by the Chief Executive All Heads of Departments (sixteen, including the Senior Management Team) meet together quarterly The notes from the Heads of Department meeting are published on St Giles' Intranet site for the benefit of all staff.

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 the Trustees
- a three year projected budget
- 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 aspect governance committees, have formal processes in place to assess clinical and business risks and to implement risk management strategies This ongoing process involves identifying

**St Giles Hospice
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
for the year ended 31 March 2012**

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 is 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 five subsidiary companies, St Giles Hospice Shops, Walsall Hospice Trading, St Giles Hospice (Promotions), and St Giles Care Agency, all 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 Companies act as agent for the Hospice in both the sale of donated goods and in reclaiming gift aid on donations arising from the sale of donated goods. The Shops Companies also sell new, bought-in goods. The Promotions Company runs the Hospice Lottery and the Developments Company is responsible for the construction of new buildings and the refurbishment of existing buildings. The Care Agency company started trading in October 2011 as a newly formed enterprise, offering paid-for care within the community. Once profitable, all profits from the Care Agency will be donated to the Hospice.

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 public relations, human resources and health and safety, are shared with the subsidiary companies.

4 Objectives, Principles, Activities and Performance

4.1 Objectives

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

4.2 Principles

St Giles was founded to support patients and their families living with cancer and other life-threatening diseases. Today that work continues, but now includes caring for people with a wider variety of conditions and earlier in their illness. All the Hospice's care is based on these fundamental principles

- Encouraging fullness of living, hope and independence by being realistic and honest
- Recognising and respecting the uniqueness of every individual

**St Giles Hospice
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
for the year ended 31 March 2012**

- Striving for equity of access to our services

The delivery of the best possible individual care is dependent upon top quality St Giles people. The Hospice ensures this by

- Recruiting, developing and supporting volunteers and staff who are passionate about patient care
- Recognising the role of volunteers in both the work and culture of the Hospice
- Placing education and research at the core of the Hospice's work

The future of St Giles can only be assured and protected by sound governance and business practice. The Hospice is committed to this by.

- Ensuring transparent management of the charity and its finances to achieve overall improvement in quality of life and value for money
- Collaboration, as appropriate, with other organisations involved in end of life care to further improve patient outcomes
- Maintenance of the charity's independence as a local charity

4.3 Activities and performance

The needs of patients cared for by St Giles Hospice have changed significantly in recent years. Not only are people living longer, but the conditions many patients face towards the end of their lives are becoming more complex. The challenge for the Hospice is to continue providing the highest quality care, while ensuring services reflect the changing needs of the St Giles community.

The Hospice has four headline strategic aims, underpinned by the principles outlined above. These will help St Giles Hospice to develop and grow its services in line with public demand and help to illustrate the public benefit the Charity delivers.

4.3.1 To become the preferred provider – whether alone or with others – of the care and support of anyone in our locality affected by death or dying.

In the last review it was reported that St Giles had been successful in tendering to run an inpatient unit in Walsall. This significant development brings St Giles inpatient care right into the heart of the Metropolitan Borough of Walsall through a unique partnership with the local NHS. Whilst St Giles throughout its history has cared for patients from Walsall, Walsall now has its own facility. The inpatient service commenced operation in April 2011 following a successful tender by the Hospice. The inpatient team is now well established. Bed occupancy has increased and reflects the expected bed occupancy according to the National Council for Palliative Care's minimum data set. The patient mix reflects a higher than expected percentage of non-cancer disease which is especially pleasing. The service is fully compliant with regulatory standards. Its quality and audit programme demonstrates that it is providing a high standard of service and care delivery and patient and carer feedback is excellent.

Over ninety percent of the work that St Giles undertakes is within the community through the team of Clinical Nurse Specialists, the Hospice at Home Team and clinics. These services work alongside GPs and District Nurses to support patients with complex symptoms and enable patients to remain in their home when they die if that is their wish.

**St Giles Hospice
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
for the year ended 31 March 2012**

The Family Support & Bereavement services and Complementary Therapies moved into the new Day Therapies Centre in May 2011. The refurbishment of this centre was funded by a Department of Health grant and financial support secured from a variety of grant-making trusts.

During 2011/12 a number of patient and carer programmes were piloted. In addition, the facilities have been used by external groups for a variety of purposes.

Through a restructure of the Supportive Care Department in 2011/12 a Supportive Care Co-ordinator has been recruited who commenced in July 2012. The post holder will further develop the use of volunteer and patient-led groups as well as activities for mutual education and peer support for patients and their families. This will further increase community engagement and break down barriers to accessing hospice care caused by fear and an assumption that hospices are only for people dying of cancer.

Hospice staff supported work at a national level to develop an evidence based bereavement needs assessment tool. This tool considers existing levels of resilience and support and builds on these, as well as recognising when individuals need higher intervention levels.

The services offered at St Giles Sutton Coldfield (Barn Farm) have been further developed. The centre is jointly run by St Giles Hospice and Sutton Cancer Support Centre. St Giles supports a group for people with MS; this has been so successful a further group has been approved. Other groups such as a choir have also been established and collaboration extends to other charities such as BreastFriends who use the venue for their Lotus Group.

4.3.2 *To develop the inpatient facility, the Compassus Centre, as a nationally regarded centre of excellence in the care of those with the most complex clinical needs at the end of life.*

Towards the end of the financial year, St Giles temporarily opened its remaining unfunded beds in the Compassus Centre to support the local health economy during the winter period which continues to create a pressure on bed availability. The beds were funded by the NHS and opened for people who did not need specialist palliative care but were dying in hospital. The pilot was to enable beds to be available for people who needed acute care and for those that were dying to have the option of being cared for by the hospice. Conversations are ongoing with the NHS to consider how the remaining beds can be funded and managed to support local people.

Both inpatient units continue to focus on ensuring that patients and their families are provided with high quality care and the opportunity to continue to enjoy and get the best out of life. The year has seen an introduction of activity programmes for patients and carers to engage them in meaningful and therapeutic activity promoting well being and an enablement approach to care.

Whilst working on either inpatient unit, healthcare assistants and nurses are expected to continue to develop their skills. A number of staff have achieved formal qualifications during the year and all staff have received a variety of training.

4.3.3 *To develop and promote the nationally regarded lymphoedema service for children and adults to ensure the continued availability of the highest possible quality of lymphoedema care*

The Hospice continues to be a forerunner in lymphoedema care. Its clinics, based in Whittington and Sutton Coldfield, continue to attract both patients and training placements from health professionals worldwide.

**St Giles Hospice
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
for the year ended 31 March 2012**

Helen Young, Nurse Consultant in the Lymphoedema Clinic, has been a member of a national working party mapping the number of children identified with lymphoedema in the UK and the services available. The St Giles' lymphoedema service currently has the largest case load of children in any one clinic in the UK.

During the year, a mobile clinic was acquired, funded by the Department of Health. This has begun work in offering lymphoedema clinic appointments away from St Giles' buildings within local communities.

4.3.4 *To extend our community engagement to promote more open discussion of matters relating to death and dying within the communities we serve*

In line with the Department of Health's End of Life Care Strategy, St Giles Hospice has continued through its work with patients, schools and support groups to get more people talking about death and dying.

St Giles Hospice has worked with a number of local schools to increase the confidence of teachers and pupils to talk about dying and provides an education programme for schools focusing on 'Working with Loss'.

St Giles supports the Dying Matters Coalition and ran a new programme training volunteers in Advance Care Planning (ACP). There are times in a person's life when thought is given to the consequences of becoming seriously ill. ACP is the process of enabling a person to think about the impact of a future illness or disability and express wishes about their future health care in consultation with care providers and loved ones.

The programme delivered, "Thinking and Planning Ahead", was developed by the University of Nottingham in association with the Dying Matters Coalition and the National End of Life Care Programme. The content is appropriate for members of community groups, health and social care staff, pensioners' action groups, in fact, anyone with an interest in becoming a volunteer educator. The course is based on the principles of 'peer education', which is about people learning from each other, and gaining an understanding of key issues in advance care planning.

The training is designed to encourage people to talk about their choices and wishes with their families and friends, and formal Advance Care Plans can aid someone being cared for and dying in the place of their choice.

Existing hospice volunteers were targeted for the pilot course at St Giles. Feedback from participants and facilitators will be used for future use of the resource at St Giles.

5 Financial Review

To enable the Hospice to continue offering its end of life services free of charge means 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 Statement of Financial Activities shows a deficit for the year of £57,426 (2011 £172,789).

5.1 Income

Grant income from the NHS increased by 36% during the year, a step increase on account of the new partnership with NHS Walsall. As a proportion of total expenditure on services, income from the NHS

St Giles Hospice
(A Company Limited by Guarantee)

TRUSTEES' REPORT
for the year ended 31 March 2012

increased from 37% to 43%, again due to the impact of Walsall. Strategic discussions continued during the year with the NHS in an attempt to ensure a more robust pattern of statutory funding. Those negotiations continue.

Of the £4m income raised from voluntary sources (2011 £3.5m) the trading subsidiary companies (Shops and Lottery) produced a combined net profit of £1.7m (2011 £1.4m). Legacies, now a major part of the Hospice's voluntary income stream, contributed £986,238 (2011 £995,769) and the work of the Fundraising Department supplied the balance of £1.3m (2011 £1.1m).

5.2 Reserves

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.

The free reserves at 31 March 2012 stood at 6.4 months of current annual expenditure as budgeted for 2012/13, up from 5.6 months at 31 March 2011.

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

5.3 Investments

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. During the year the investment services were tendered and Collins Stewart Wealth Management and CCLA were chosen in addition to Barclays Wealth to invest funds for St Giles.

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 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 net incoming or outgoing resources of the charity for that period. In preparing these financial statements, the Trustees are required to,

St Giles Hospice
(A Company Limited by Guarantee)

TRUSTEES' REPORT
for the year ended 31 March 2012

- 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 2006. 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

In accordance with company law, we the Trustees, acting also as directors of the company, certify that so far as we are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charity's auditors are unaware. Each Trustee has taken all the steps that ought to have been 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 485 of the Companies Act 2006, a resolution proposing their re-appointment will be put to the Annual General Meeting.

9 Annual General Meeting

The Annual General Meeting of the charity will be held on Thursday 27 September 2012 at 7.30pm in St Giles Day Therapies Centre on the main Whittington site.

10 The Future

The Hospice's key objectives remain those listed as our aims at the start of this report.

St Giles continues to have a positive working relationship with the NHS although changes in NHS commissioning means that it is essential to keep up with the reorganisation of Primary Care Trusts and the emerging Clinical Commissioning Groups. St Giles Hospice believes it has a key role in supporting new commissioners achieve their aims regarding end of life care.

St Giles will continue to work in partnership with other organisations to provide the best holistic care for patients and their families. This is essential as the ageing population and the economic climate puts further pressure on families and services.

St Giles continues to develop its clinical expertise in specialist palliative care through robust education and support for clinical staff. St Giles also continues to develop skills in supportive care, providing therapeutic services for patients, families and carers.

The economic climate is of concern and is impacting the Hospice's ability to open the remaining inpatient beds or develop new services. St Giles will continue to control costs and seek additional income streams.

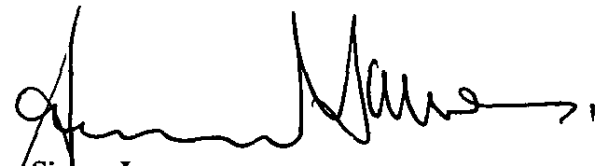
**St Giles Hospice
(A Company Limited by Guarantee)**

**TRUSTEES' REPORT
for the year ended 31 March 2012**

11 Concluding remarks

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 even more people within our catchment area have indeed received the highest possible quality of care

In particular, St Giles Hospice would be unable to deliver its level of care without the substantial contribution made by volunteers working at the Hospice sites and within the subsidiary companies. The Hospice has over 1,000 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 part of the ethos of hospice culture of freely given time and talents to care for some of the most vulnerable people within the community. The Trustees are profoundly grateful for the continuing support and encouragement of all St Giles' volunteers.



Simon James
Chairman of the Board

22 August 2012

(Company Number: 1430090)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES
OF ST GILES HOSPICE (A Company Limited by Guarantee)**

We have audited the financial statements of St Giles Hospice Limited for the year ended 31 March 2012, which comprise the Group Statement of Financial Activities, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and the related notes. The financial reporting framework that has been applied in the preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, 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.

We have been appointed as auditor under the Companies Act 2006 and report in accordance with that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2012, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,

(Company Number: 1430090)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES
OF ST GILES HOSPICE (A Company Limited by Guarantee)**

Opinion on financial statements (cont'd)

- 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion.

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

David R Burman (Senior Statutory Auditor)
for and on behalf of Burman & Co
Chartered Accountants and Statutory Auditors
Brunswick House
Birmingham Road
Redditch
Worcestershire
B97 6DY

Date. 22 August 2012



CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(Incorporating an income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2012

	Note	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
INCOMING RESOURCES					
INCOMING RESOURCES FROM GENERATED FUNDS					
Voluntary income	2	2,049,196	163,375	2,212,571	1,903,210
Activities for generating funds	3	5,414,850	550	5,415,400	4,436,687
Investment income	4	73,001	-	73,001	61,729
INCOMING RESOURCES FROM CHARITABLE ACTIVITIES					
Grants - NHS	5	3,435,556	-	3,435,556	2,534,504
Grants - Department of Health		-	-	-	545,000
Recharged services		205,114	-	205,114	212,670
Sundry income		233,482	-	233,482	115,398
Total incoming resources		11,411,199	163,925	11,575,124	9,809,198
RESOURCES EXPENDED					
COSTS OF GENERATING FUNDS					
Costs of generating voluntary income		227,267	-	227,267	222,723
Costs of activities for generating funds		3,444,932	-	3,444,932	2,579,303
Costs of investment management		7,841	-	7,841	7,500
CHARITABLE ACTIVITIES		7,287,324	623,173	7,910,497	6,786,127
GOVERNANCE COSTS		42,013	-	42,013	40,756
Total resources expended	6	11,009,377	623,173	11,632,550	9,636,409
Net income / (expenditure) for the year before other recognised gains / (losses)		401,822	(459,248)	(57,426)	172,789
Gains on investment assets					
Realised		(6,975)	-	(6,975)	2,108
Unrealised		12,194	-	12,194	14,850
Net movement in funds		407,041	(459,248)	(52,207)	189,747
Total funds brought forward		10,695,619	6,591,751	17,287,370	17,097,623
Transfer of funds	16		876,326	876,326	
Total funds carried forward	15 & 16	11,102,660	7,008,829	18,111,489	17,287,370

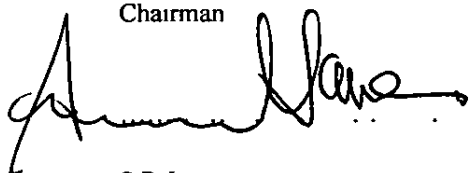
All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. In accordance with the exemption allowed under section 408 of the Companies Act 2006, as amended, the company's profit and loss account is not separately presented.

CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2012

	Note	2012 Group £	2012 Company £	2011 Group £	2011 Company £
Fixed assets					
Tangible assets	8	13,453,377	13,404,123	12,893,373	12,889,382
Investments	9	758,682	833,687	762,872	762,876
		<u>14,212,059</u>	<u>14,237,810</u>	<u>13,656,245</u>	<u>13,652,258</u>
Current assets					
Stock	10	50,168	7,617	251,078	11,766
Debtors	11	632,838	1,094,168	715,945	906,975
Cash at bank and in hand		4,887,605	4,018,724	4,388,836	3,804,656
		<u>5,570,611</u>	<u>5,120,509</u>	<u>5,355,859</u>	<u>4,723,397</u>
Creditors (amounts falling due within one year)	12	<u>(1,636,227)</u>	<u>(1,146,281)</u>	<u>(1,724,734)</u>	<u>(1,088,285)</u>
Net current assets		<u>3,934,384</u>	<u>3,974,228</u>	<u>3,631,125</u>	<u>3,635,112</u>
Total assets less current liabilities		<u>18,146,443</u>	<u>18,212,038</u>	<u>17,287,370</u>	<u>17,287,370</u>
Creditors (amounts falling due after than one year)	13	(23,924)	-	-	-
Provisions for liabilities	14	(11,030)	-	-	-
Total net assets		<u>18,111,489</u>	<u>18,212,038</u>	<u>17,287,370</u>	<u>17,287,370</u>
Funds					
Unrestricted funds	15	10,343,978	10,421,322	9,932,747	9,932,747
Investment fund	15	758,682	758,682	762,872	762,872
Restricted funds	16	6,738,543	6,761,748	6,220,541	6,220,541
The Muriel Saveker nursing support fund	16	270,286	270,286	371,210	371,210
Total funds		<u>18,111,489</u>	<u>18,212,038</u>	<u>17,287,370</u>	<u>17,287,370</u>

Approved by the trustees on 22 August 2012 and signed on their behalf

Chairman



S R James

Deputy Chairman



P S G Durrant

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

	Note	2012	2011
		£	£
Net cash inflow from activities	(i)	607,758	729,373
Returns on investments and servicing of finance			
Interest received		47,150	36,280
Dividend income		25,851	25,449
		73,001	61,729
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets		(570,421)	(844,049)
Receipts from disposals of tangible fixed assets		-	24,645
Purchase of investments		(311,402)	(87,048)
Proceeds from sales of investments		331,645	95,965
		(550,178)	(810,487)
Acquisitions and disposals			
Funds transferred from Walsall Hospice		876,326	-
Transfer of fixed assets		(497,304)	-
		379,022	-
Increase/(decrease in cash in the year)	(ii)	509,603	(19,385)

**NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012**

	2012	2011
	£	£
(i) Reconciliation of changes in resources to net inflow from operating activities		
Net incoming resources	(57,426)	172,789
Investment income	(73,001)	(61,729)
Depreciation charge	507,670	364,769
Loss on disposal of fixed assets	51	-
(Increase)/Decrease in stocks	200,910	(136,606)
(Increase)/Decrease in debtors	83,107	(14,017)
Increase/(Decrease) in creditors	(53,553)	404,167
	607,758	729,373
(ii) Analysis of net cash resources		
	1 April 2011	31 March 2012
	£	£
Cash at bank and in hand	4,388,836	4,887,605
Investment fund cash	22,628	33,462
	4,411,464	4,921,067

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012****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 Companies Act

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 investment 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
Short leasehold properties	straight line over life of the lease
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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012

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) Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

(k) Pension contributions

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

(l) 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 2012 £	Total 2011 £
Donations	830,751	104,020	934,771	721,212
Voluntary fundraising	246,207	45,355	291,562	186,229
Legacies	972,238	14,000	986,238	995,769
	<u>2,049,196</u>	<u>163,375</u>	<u>2,212,571</u>	<u>1,903,210</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

3. ANALYSIS OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2012 £	Total 2011 £
Fundraising events	380,035	550	380,585	553,238
Merchandising income	4,773,051	-	4,773,051	3,715,233
Care agency services	62,282	-	62,282	-
Gift aid recovery	199,482	-	199,482	168,216
	<u>5,414,850</u>	<u>550</u>	<u>5,415,400</u>	<u>4,436,687</u>

The care agency services referred to above relate to services provided by St Giles Care Agency Limited. That company, the entire share capital of which is owned by St Giles Hospice, was incorporated on 12 April 2011 and commenced trading on 1 October 2011.

MERCHANDISING INCOME AND COSTS

The charity has three 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. Walsall Hospice Trading Limited was acquired on 22 September 2011 and it also sells donated and bought goods. The principal activity of St Giles Hospice (Promotions) Limited is the running of a lottery but it also undertakes other promotional activities. All 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

	St Giles Hospice Donated Goods £	St Giles Hospice Shops Ltd £	Walsall Hospice Trading Ltd £	St Giles Hospice (Promotions) Ltd £	Total 2012 £	Total 2011 £
Merchandising income	2,016,532	208,988	730,076	1,817,455	4,773,051	3,715,233
Gift aid recovery	180,138	-	19,344	-	199,482	168,216
Interest receivable	-	35	-	2,037	2,072	2,545
	<u>2,196,670</u>	<u>209,023</u>	<u>749,420</u>	<u>1,819,492</u>	<u>4,974,605</u>	<u>3,885,994</u>
Cost of sales	14,830	87,228	6,969	496,957	605,984	599,100
Other operating costs before gift aid	1,528,826	21,663	649,741	438,155	2,638,385	1,879,132
	<u>1,543,656</u>	<u>108,891</u>	<u>656,710</u>	<u>935,112</u>	<u>3,244,369</u>	<u>2,478,232</u>
Operating profit	<u>653,014</u>	<u>100,132</u>	<u>92,710</u>	<u>884,380</u>	<u>1,730,236</u>	<u>1,407,762</u>
Gift aided to St Giles Hospice	-	100,132	112,000	884,380	1,096,512	866,405
Net assets/(liabilities)	-	2	32,505	2	32,509	4

Merchandising income under the heading of donated goods includes proceeds from the sale of goods which are initially sold on behalf of donors but which, with their consent, become proceeds in respect of which the company is able to claim a gift aid recovery.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

4. INVESTMENT INCOME

	2012 £	2011 £
Bank interest received	46,475	35,605
Interest on Government Treasury Stock	675	675
Dividend income	25,851	25,449
	<u>73,001</u>	<u>61,729</u>

5. GRANTS - NHS

South Staffordshire PCT	1,677,361	1,638,711
Herefordshire PCT	100,185	99,687
Birmingham East & North PCT	520,250	528,173
Walsall PCT	980,511	142,916
Warwickshire PCT	21,155	21,155
Derby City PCT	21,999	21,999
Leicestershire County & Rutland PCT	4,195	3,151
Out of area recharges	109,900	78,712
	<u>3,435,556</u>	<u>2,534,504</u>

6. TOTAL RESOURCES EXPENDED

	Staff Costs £	Depreciation £	Other Costs £	2012 Total £	2011 Total £
Cost of generating funds					
Costs of generating voluntary income	227,267	-	-	227,267	222,723
Costs of activities for generating funds	1,737,530	26,283	1,681,119	3,444,932	2,579,303
Costs of investment management	-	-	7,841	7,841	7,500
Charitable activities					
Hospice services	5,372,508	481,387	2,056,602	7,910,497	6,786,127
Governance costs					
	31,965	-	10,048	42,013	40,756
	<u>7,369,270</u>	<u>507,670</u>	<u>3,755,610</u>	<u>11,632,550</u>	<u>9,636,409</u>

Other costs include

	2012 £	2011 £
Auditors' remuneration		
Hospice.		
Audit fee	8,400	7,640
Accountancy, taxation & other services	<u>3,900</u>	<u>3,900</u>
Subsidiaries		
Audit fees	8,650	5,075
Accountancy, taxation & other services	<u>8,410</u>	<u>5,250</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

7. STAFF COSTS

	2012	2011
	£	£
Salaries & wages	6,457,014	5,214,343
Social security costs	479,956	424,391
Pension costs	432,300	402,211
	<u>7,369,270</u>	<u>6,040,945</u>

(a) Employees

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

	2012	2011
	No.	No.
Hospice services	177	161
Fundraising	6	8
Education & training	3	5
Merchandising	87	61
Care agency services	4	-

(b) Volunteers

During the year the hospice has benefited substantially from the regular services of 490 (2011: 455) volunteers. Additionally, volunteers working at St Giles Hospice Shops Limited and its associated warehouse number approximately 761 (2011: 613) and Walsall Hospice Trading Limited was 75. St Giles Hospice (Promotions) Limited have also received the assistance of 3 (2011: 3) volunteers during the year.

(c) Emoluments

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

	2012	2011
	No.	No.
£60,001 - £70,000	1	1
£70,001 - £80,000	-	2
£80,001 - £90,000	-	-
£90,001 - £100,000	2	1

No trustee of St Giles Hospice received or waived any emoluments during the year (2011: £Nil). Trustees received £48 reimbursement for out of pocket expenses (2011: £150).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

8. TANGIBLE FIXED ASSETS

GROUP

	Freehold Land & Buildings £	Leasehold Land & Buildings £	Fixtures, Fittings & Equipment £	Short Leasehold Properties £	Motor Vehicles £	Total £
Cost at 1 April 2011	12,358,574	1,531,204	1,451,106	15,250	81,441	15,437,575
Introduced from Walsall Hospice Trading Ltd	-	-	56,778	37,548	18,421	112,747
Additions	424,311	-	120,107	-	26,003	570,421
Transferred from Walsal Hospice	-	-	416,764	-	72,000	488,764
Disposals	-	-	(6,582)	-	(23,242)	(29,824)
Cost at 31 March 2012	<u>12,782,885</u>	<u>1,531,204</u>	<u>2,038,173</u>	<u>52,798</u>	<u>174,623</u>	<u>16,579,683</u>
Accumulated Depreciation						
At 1 April 2011	1,322,702	117,574	1,018,948	15,250	69,728	2,544,202
Introduced from Walsall Hospice Trading Ltd	-	-	24,949	15,540	13,943	54,432
Charge for the year	249,867	30,624	201,301	8,101	17,777	507,670
Transferred from Walsal Hospice	-	-	42,575	-	7,200	49,775
Eliminated on disposal	-	-	(6,531)	-	(23,242)	(29,773)
At 31 March 2012	<u>1,572,569</u>	<u>148,198</u>	<u>1,281,242</u>	<u>38,891</u>	<u>85,406</u>	<u>3,126,306</u>
Net Book Value						
At 31 March 2012	<u>11,210,316</u>	<u>1,383,006</u>	<u>756,931</u>	<u>13,907</u>	<u>89,217</u>	<u>13,453,377</u>
At 31 March 2011	<u>11,035,872</u>	<u>1,413,630</u>	<u>432,158</u>	-	<u>11,713</u>	<u>12,893,373</u>

Included in the group assets above are fixed assets of the subsidiary undertakings amounting to £49,254 (2011 £3,991) at net book value

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

8. TANGIBLE FIXED ASSETS cont.

Capital Commitments

	Group and Company 2012 £	Group and Company 2011 £
Contracted not provided for	-	217,330

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, St Giles Hospice (Promotions) Limited, St Giles Care Agency Limited and Walsall Hospice Trading Limited.

	2012 £	2011 £
Shares in group companies at cost	75,005	4

St Giles Hospice Developments (Limited by Guarantee) is under the effective control of the directors of St Giles Hospice and its results are therefore consolidated into the holding company. Its principal activity is the planning, design, development and construction of new buildings and the refurbishment of existing buildings.

(ii) Investment fund

	2012 £	2011 £
Market value at 1 April	740,244	732,203
Add additions at cost	311,402	87,048
Less disposals at opening value/cost	(338,620)	(93,857)
Net gains on revaluation	12,194	14,850
Market value at 31 March	725,220	740,244
Cost as at 31 March	645,182	677,240

Investments at market value comprise.

Listed Investments

UK equities	363,244	370,589
Overseas equities	15,266	17,922
UK fixed interest	193,033	223,257
Overseas fixed interest	57,967	87,232
UK hedge funds	18,430	22,748
Overseas hedge funds	23,997	-
UK index linked funds	32,878	-
Overseas commodities funds	20,405	-
UK property funds	-	18,496
	725,220	740,244
Cash on deposit awaiting investment	33,462	22,628
Balance at 31 March	758,682	762,872

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

9. INVESTMENTS cont.

Investments held at 31 March which represent over 5% of the portfolio value, all of which are investment bonds, are as follows

	2012 Market value £	2011 Market value £
GE Capital UK fund	-	52,864
M & G Investments	46,732	48,079
Invesco Managers	-	38,944
Pimco Global Investors	-	39,153
Cazenove Investment Fund Management	41,775	-
Allianz Global Investors UK	45,017	-

Summary of investments:

	Group 2012 £	Company 2012 £	Group 2011 £	Company 2011 £
Investment in subsidiary companies	-	75,005	-	4
Other investments	758,682	758,682	762,872	762,872
	758,682	833,687	762,872	762,876

10. STOCK

	2012 Group £	2012 Company £	2011 Group £	2011 Company £
Medical stock	7,617	7,617	11,766	11,766
Merchandising stock	37,729	-	45,536	-
Work in progress	4,822	-	193,776	-
	50,168	7,617	251,078	11,766

11. DEBTORS

	2012 Group £	2012 Company £	2011 Group £	2011 Company £
Trade debtors	196,131	187,200	423,502	423,313
Social security & other taxes	17,072	-	-	-
Amount due from subsidiary companies	-	567,039	-	210,491
Other debtors	44,829	44,819	26,839	26,839
Prepayments & accrued income	374,806	295,110	265,604	246,332
	632,838	1,094,168	715,945	906,975

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

12. CREDITORS (AMOUNTS FALLING DUE WITHIN ONE YEAR)

	2012 Group £	2012 Company £	2011 Group £	2011 Company £
Trade creditors	639,643	596,624	584,732	572,427
Amount due to subsidiary companies	-	9,739	-	5,523
Social security & other taxes	126,196	114,063	125,972	108,913
Superannuation	37,704	37,704	35,767	35,767
Accruals	466,173	375,487	576,629	308,757
Deferred income	366,511	12,664	401,634	56,898
	<u>1,636,227</u>	<u>1,146,281</u>	<u>1,724,734</u>	<u>1,088,285</u>

13. CREDITORS (AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR)

	2012 Group £	2012 Company £	2011 Group £	2011 Company £
Accruals	23,924	-	-	-

14. PROVISIONS FOR LIABILITIES

	2012 Group £	2012 Company £	2011 Group £	2011 Company £
Deferred tax	11,030	-	-	-

15. UNRESTRICTED FUNDS

Group and Company
Analysis of Funds

	2012 Accumulated Fund £	2012 Investment Fund £	2012 Total £	2011 Total £
Balance at 1 April	9,932,747	762,872	10,695,619	11,111,933
Net incoming resources	401,822	-	401,822	(433,272)
Transfer from investment fund	9,409	(9,409)	-	-
Unrealised gains	-	12,194	12,194	14,850
Realised (losses)/gains	-	(6,975)	(6,975)	2,108
Balance at 31 March	<u>10,343,978</u>	<u>758,682</u>	<u>11,102,660</u>	<u>10,695,619</u>

16. RESTRICTED FUNDS

Group and Company

	Balance at 1 April 2011 £	Net (outgoing)/ incoming resources £	Transfer of funds £	Balance at 31 March 2012 £
Compassus Centre fund	1,702,342	(72,454)		1,629,888
Barn Farm fund	1,388,846	(43,178)		1,345,668
Capital appeal funds	2,454,684	(74,202)		2,380,482
Community Campaign fund	72,998	(72,998)		-
Day Therapies Centre fund	556,000	(6,414)		549,586
John Haller memorial fund	10,000	-		10,000
Walsall Hospice	-	(124,244)	876,326	752,082
Other restricted funds	35,671	35,166		70,837
	<u>6,220,541</u>	<u>(358,324)</u>	<u>876,326</u>	<u>6,738,543</u>
The Muriel Saveker nursing support fund	371,210	(100,924)		270,286
	<u>6,591,751</u>	<u>(459,248)</u>	<u>876,326</u>	<u>7,008,829</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

16. RESTRICTED FUNDS cont.

The Compassus Centre fund represents funds already received towards the building and fitting out of the new In-Patient Unit. Depreciation is charged against the fund.

The Barn Farm fund represents monies raised in the past to fund the construction of a hospice in Sutton Coldfield. Depreciation on the leasehold property and the fixtures, fittings and equipment is charged against the fund

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 Community Campaign fund represents monies raised to fund the running costs of nine additional beds within the Compassus Centre

The Day Therapies Centre fund represents primarily a Department of Health grant awarded to the hospice in order to configure the old In-Patient Unit to create an integrated Day Therapies Centre This includes services such as a Day Hospice, Family Support and Bereavement, Complementary Therapies and Education. The net outgoing resources of £6,414 includes an amount of £25,000 received as a grant from the Clothworkers' foundation

The John Haller memorial fund 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

The transfer of funds, amounting to £876,326 from Walsall Hospice, arose as a result of an agreement dated 22 September 2011 between Walsall Hospice and St Giles Hospice The broad terms of the agreement were that the trustees of Walsall Hospice were content to transfer the assets/funds of their charity to St Giles Hospice based upon an undertaking from the trustees of St Giles Hospice, that those funds would be applied in accordance with the charitable objects for which the funds had been received and accumulated. The funds are therefore treated as restricted funds and their use is governed accordingly

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

17. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted Funds £	Total 2012 £
Fund balances at the balance sheet date are represented by			
Tangible fixed assets	7,310,840	6,142,537	13,453,377
Fixed asset investments	758,682	-	758,682
Current assets	4,704,319	866,292	5,570,611
Current liabilities	(1,636,227)	-	(1,636,227)
Other liabilities	(34,954)	-	(34,954)
Total net assets	<u>11,102,660</u>	<u>7,008,829</u>	<u>18,111,489</u>

18. 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.