

TYNEDALE HOSPICE AT HOME

UNAUDITED  
FINANCIAL STATEMENTS

31 MARCH 2016

(A company limited by guarantee)

**ArmstrongWatson<sup>®</sup>**  
Accountants, Business & Financial Advisers

**TYNEDALE HOSPICE AT HOME**  
**(A company limited by guarantee)**

**CONTENTS**

	<b>Page</b>
<b>Reference and administrative details of the charity, its trustees and advisers</b>	<b>1</b>
<b>Trustees' report</b>	<b>2 - 9</b>
<b>Trustees' responsibilities statement</b>	<b>10</b>
<b>Independent examiner's report</b>	<b>11 - 12</b>
<b>Statement of financial activities</b>	<b>13</b>
<b>Balance sheet</b>	<b>14</b>
<b>Notes to the financial statements</b>	<b>15 - 24</b>

**TYNEDALE HOSPICE AT HOME**  
**(A company limited by guarantee)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE COMPANY, ITS TRUSTEES AND ADVISERS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**Trustees**

Canon Dr M J Jackson, Chairman (resigned 12 January 2016)  
Dr T A Carney  
Mrs A M Francis  
Mrs D Linnett  
Mr B W Massey  
Mrs G Robson  
Dr D Adams (resigned 11 February 2016)  
Mr P Johnston  
Mr D Borrill (resigned 1 September 2015)  
Mr P F Rodger (appointed 6 January 2016)

**Company registered number**

02870776

**Charity registered number**

1034170

**Registered office**

3 Wentworth Place, Hexham, Northumberland, NE46 1XB

**Accountants**

Armstrong Watson, Milburn House, Hexham, Northumberland, NE46 3RU

**Bankers**

Barclays Bank Plc, Priestpopple, Hexham, Northumberland, NE46 1PE

CAF Bank Ltd, 25 Kings Hill Avenue, Kings Hill, West Malling, Kent, ME19 4JQ

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

The Trustees present their annual report together with the financial statements of Tynedale Hospice at Home for the period 1 April 2015 to 31 March 2016. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities.

**Objectives and Activities**

**a. POLICIES AND OBJECTIVES (INCORPORATING PUBLIC BENEFIT)**

Tynedale Hospice at Home is now in its 22nd anniversary year and the aims and objectives set out in the Articles of Association remain key drivers for the Board of Trustees.

Our aim remains to enhance the development and delivery of high quality, patient centred end of life and palliative care in our local community in line with the Department of Health End of Life Care Strategy (2008). In offering our holistic services we aim to optimise the choice of a person to be cared for at home. In addition to providing nursing care we also offer emotional support to families before and after death has occurred. Our services are available free of charge to any person living in West Northumberland. Care is delivered in partnership with the 15 Primary Care Teams in West Northumberland Clinical Commissioning Group (CCG) and we are fully committed to the West Northumberland Palliative Care Guidance in implementing the patient's personal Advanced Care wishes as documented in individualised care plans. We are required to meet the service specifications of our Clinical Commissioning Group (CCG), Prime Contractor (Northumbria Healthcare NHS Trust) service level agreement and the needs of those primary health care teams and other partners who refer patients to our services. It is also essential that we meet the objectives of our Big Lottery funded Rainbow Project as agreed with the Big Lottery Fund.

The Trustees have considered the guidance issued by the Charity Commission in respect of public benefit and believe that their operations and activities adhere to this guidance.

**b. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT**

Our Hospice at Home services provides a:

- Professionally led palliative and end of life home nursing service using qualified nurses and trained health care support workers.
- Family Support Service that offers support and advice to adults and children pre and post bereavement. This is provided by trained professionals and supervised volunteers.
- Patient transport service to take patients to and from hospital appointments using volunteer drivers and their vehicles.

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**a. REVIEW OF ACTIVITIES**

Over the last 5 years, Tynedale Hospice at Home has grown from being a relatively small organisation to one which requires an increased focus on management reporting and systems to ensure a patient centred, well-funded and sustainable future. The Board was aware that changes were required to ensure that these aims could be achieved over the next few years and in May 2015, Alison Hands was appointed as Hospice Director with a wide-ranging business focused brief which included:

- Continuous improvement in working practices and measurement of outcomes for patients and clients,
- Development of management teams and cross cultural working,
- Improved internal reporting,
- Better cost control and
- Enhanced income streams.

In May, funded by the Big Lottery under the Building Capabilities scheme, Trustees commissioned Aleron, a consultancy, to undertake an Organisational Strengths Review. The outcomes of this have been fundamental to the development programme which Alison has led during the year and which is ongoing. Key findings from the review were that the Charity is an organisation of great strengths with truly outstanding performances. However, it also recognised a number of organisational challenges that needed addressing over the next 18 months highlighted in the contexts of social value, finance and operational capabilities. These included the:

- Introduction of new accounting and donor management systems
- Integration of all Care Services under the leadership of a Head of Care,
- Improved fundraising capability and
- Improved Human Resources (HR) capabilities.

As a first step towards this we conducted an overview of our accounting systems and on this basis a decision was taken to opt for a comprehensive Sage Accounting Database combined with an income tracking database, Donorflex. Paxton, which previously recorded income and expenditure, and other smaller non-relational databases, have now been phased out. This operation has impacted enormously on staff time but, now finalised, will enable the charity to engage in precise and strategic financial management. Trustees are confident that these changes will both increase income for the future and allow more control of expenditure.

**Service Development and Delivery**

In response to the Aleron recommendations, during the year we appointed a Head of Care Services to lead the integration of delivery of all of these services in a co-ordinated manner and this has already led to improved outcomes for our patients and clients.

All of our staff for both nursing care and family support have regular supervision; both internally and externally.

**Nursing Care**

Tynedale Hospice at Home employs a nursing team comprised of 11 Qualified Nurses and 13 Health Care Support Workers, managed by our Clinical Nurse Lead, who is also the Care Quality Commission registered manager. Care is available to adults on the palliative care register and who are a patients of any of 15 GP practices within the West Northumberland locality of the Northumberland Clinical Commissioning Group (CCG). Care is primarily directed to those at end of life and can be provided in the home or place of residence. This service operates on a 24 hours basis and is free of charge to those who need it.

Care Staff Training; – Tynedale Hospice at Home ensures that care staff attend all necessary mandatory training, such as Health & Safety, Safe Moving & Handling, Food Hygiene, Safeguarding, First Aid and Infection Control.

Training is also provided to develop the knowledge, skill and competence required to meet specific technical aspects of care and to support care delivery for life limiting conditions.

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**Nursing Care Delivery**

- During the reporting period we supported 98 patients, of 93 new referrals to the service 74 patients died, with 67 dying in their normal place of residence (90% compared to the national average of 44%).
- 6 patients were discharged.
- 18 patients continued to receive care past the reporting period.
- We provided 8,375 hours of nursing care to patients, 2,297 hours of Registered Nurse care and 6,078 hours of Health Care Support worker input.

There is a reduction in hours provided from last year due to the introduction in May 2015 of a "Traffic Light System" of level of care provided, which has enabled us to better concentrate our services to meet the needs of those in last days of their life.

The Guidelines are:

**GREEN**

Patients with a palliative diagnosis who are stable.

**AMBER**

Patients becoming more unstable with their condition and requiring greater input from their District Nursing Teams.

**RED**

Patients must be assessed by their Health Care Professionals to be entering the end of their life.

**Family Support Service**

The Family Support Service is an active listening service, provided by both fully trained professionals and trained volunteers. It is available to anyone who lives in our catchment area who may be referred by their Primary Health Care Team, the Macmillan service or Oncology Service or they may self refer.

We have been fortunate to secure ongoing financial support from The Big Lottery Fund to support our Children's pre and post bereavement service (The Rainbow Project).

- The total number of families supported during the reporting period was 43 of whom 10 were pre-bereaved families and 33 bereaved families. 79 children have been supported (19 pre-bereaved and 60 bereaved).
- 53 children have been supported in Schools (13 received 1:1 sessions, 15 teenagers were supported at Haydon Bridge High School, 25 children at Sele First School, where 4 children were bereaved of a parent).
- Adult Family support had 26 clients, 2 of whom were pre-bereavement with 1:1 sessions by volunteers supported by our Adult Bereavement Practitioner.
- Two Rainbow days were held this reporting period involving 19 children. Regular Groups were held for Bereaved children, and Teenagers with Adult Support Groups also.

**Patient Transport Service**

This service is operated by volunteer drivers using their own vehicles supporting users who need to attend hospital appointments for treatment directly related to their life limiting condition.

- 136 patients were supported of which 91 were new referrals to the service, culminating in 850 individual journeys,
- 47,800 miles were covered by our volunteer drivers with 2,043 hours of driver time.

**TYNEDALE HOSPICE AT HOME**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**Staffing and Volunteering**

The activities of the staffing and volunteering committee during the year have focused on reviewing staffing needs as services have grown and advising the Board of Trustees on all matters relating to the recruitment, selection and appointment of new staff and future employment and pensions provision. There have been several new appointments and some changes in job descriptions during the period to reflect evolving service needs:

- Alison Hands was appointed Director in May 2015 and she has led the improvements in the management systems, financial processes, and structure of the organisation, which the Board sought during the year.
- The Office Manager leads a team of one full time and two part time Administrative Assistants, an office cleaner and a number of trained office volunteers. The team are responsible for the daily running of the transport service and administrative and financial operations.
- The retail operation was co-ordinated by a Retail Manager, and one Assistant Manager based at the Ponteland outlet, with both shops being supported by teams of dedicated volunteers.
- Following an internal restructure part way through the year, in response to the clear recommendations from Aleron, all Care Services were under a Head of Care, who leads a team made up of a Clinical Lead Nurse, Registered Nurses, Health Care Support Workers and 3 Family Support Practitioners.
- In addition, during the period there was a Volunteer Coordinator, and a fundraising team made up of 2 secondees in the roles of Fundraising Manager and Senior Fundraiser, and a Community Fundraising Officer.
- A Trustee, with accountancy skills, held the post of Honorary Finance Officer responsible for budget planning and coordinating changes within the financial management system.

In 2015-16 240 volunteers contributed a total of 22,329 hours of support to the work of the Charity, providing their time free in a number of key areas including our shops, transport service, administrative duties and the family support service. In addition volunteers contributed to many fundraising activities through coffee mornings, cake stalls and other events.

The Trustees were delighted when our volunteers were awarded the Queen's Award for Voluntary Service which is the equivalent of an MBE for volunteer groups. This well-deserved prestigious award recognised the invaluable contribution made by all our volunteers in their many different capacities.

**Fundraising and Publicity**

Positive changes have been made to our Fundraising Strategy during 2015-16 when Tynedale Hospice at Home successfully negotiated a cost-effective secondment for two of the senior fundraisers from St Oswald's Hospice to work with us to develop our fundraising capability. They have been instrumental in setting priorities, defining future strategy, implementing changes and realising new income streams. Inherent in the new strategy is the further development of Community Fundraising that will build on the income already received from our loyal supporter base. The introduction of Donorflex has enabled the charity to better understand and record income and identify current and future funding potentials. It is anticipated that the its future use of Donorflex will enable us to maintain and improve our relationships with our donor base.

We are now in a position to acquire information and subsequently predict outcomes on:

- Campaigns,
- Hospice Led Events,
- Incentivised Giving,
- Community Led Activities,
- Corporate Participation,
- Philanthropic Donations and
- Trusts, Grants and Gift Aid.

**Retail and Premises**

During the period the Hospice occupied, on lease, three premises, which are located within the town of Hexham. In addition, shop premises also operate in Merton Way, Ponteland.

The day to day running of the clothes and bric-a-brac shops and the bookshop are in the hands of 2 part-time managers supported by volunteers who provided 17,453 hours during 2015-16.

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**b. INVESTMENT POLICY AND PERFORMANCE**

During the year the Charity considered it wise to retain the reserve funds in a safe form and has therefore retained them in appropriate bank savings accounts. In view of the continuing low interest rates available this policy is currently under review. In previous years some funds held in CAF account which was interest bearing were shown as an investment. No interest is now received on this account and the funds have largely been withdrawn. Therefore it is no longer appropriate to classify this as an investment and the small balance is now included in the bank totals.

**Financial review**

**a. GOING CONCERN**

After making appropriate enquiries, the Trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

**b. FINANCIAL REVIEW**

Total income from all sources, at March 2016, was £629,026 set aside total expenditure of £700,613 resulting in a deficit of £71,587. Total reserves at 31st March amounted to £456,310. The deficit was budgeted for and is part of a programme to increase investment in income generation while controlling costs, this loss is less than the previous reporting year and less than budgeted for in the next financial year.

**c. RESERVES POLICY**

The Board of Trustees has considered the financial position of the Charity. They recognise that it is critically dependent on ongoing voluntary income. This inevitably creates risks to the ongoing viability of the Charity.

Therefore they believe that it is necessary to maintain reserves to allow for the ongoing provision of essential services in the event of fluctuations in funding. In the worst case it is possible that the ongoing funding of the Charity makes it unviable and that reserves should be adequate to allow an orderly run down.

Trustees have assessed the costs of doing this and concluded that liquid reserves (excluding restricted reserves) of between £250k and £400k are needed to meet these requirements. The level of reserves shown in the accounts from which fixed assets of £24,751 should be deducted is slightly in excess of this. However the Charity is taking advantage of the funds to maximise the charitable services it delivers in advance of its expected increase in income as its fundraising strategy is implemented. This together with the costs expected in moving to new office accommodation may in the next reporting period bring reserves to within the target range.

**Structure, governance and management**

**a. CONSTITUTION**

Tynedale Hospice at Home is a company limited by guarantee, and a registered charity governed by its Memorandum and Articles of Association dated 10th November 1993 and amended by special resolution dated 24th February 1994. In the event of the company being wound up members are required to contribute an amount not exceeding £1.



**TYNEDALE HOSPICE AT HOME**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**b. METHOD OF APPOINTMENT OR ELECTION OF TRUSTEES**

The directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the Management Committee. Under the requirements of the Memorandum and Articles of Association, the members of the Management Committee are elected to serve for a period of three years after which they must be re-elected at the next Annual General Meeting.

The Management Committee membership comprises a mix of traditional business, professional and medical skills. Should particular skills be lost due to retirements, individuals are approached to offer themselves for election to the Management Committee.

**c. POLICIES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

Most trustees are familiar with the practical work of the charity before joining the Management Committee. New trustees are given a copy of the Tynedale Hospice at Home service user guide together with the Statement of Purpose and set of the latest published accounts.

New trustees are invited to attend an induction meeting led by the Chair of the Management Committee covering:

- The obligations of Management Committee members,
- The main documents which set out the operational framework for the charity including the Memorandum and Articles,
- Resources and the current financial position as set out in the latest published accounts and
- Future plans and objectives.

Further guidance is provided by the Charity Commission document titled 'The Essential Trustee: What you need to know', together with the Help the Hospices 'The Trustee Induction Pack' and the 'Twenty Minute Guide to being a Hospice Trustee'.

Committee Members have visited other hospices to exchange information and benefit from their experience.

**d. PAY POLICY FOR SENIOR STAFF**

Pay for Senior Staff reflects market rates and NHS Agenda for Change pay scales.

Individual salaries are determined at the discretion of the Board. Remuneration of the three key members of the management team amount to £74,240.

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**e. ORGANISATIONAL STRUCTURE AND DECISION MAKING**

In the period the Board had four strategic sub-committees each chaired by a lead trustee with membership representation of trustees and staff. Where relevant each sub-committee convenes sub-groups to manage specific operational aspects of the work of the strategic committee.

The committees are:

- Service Development and Delivery
- Staffing and Volunteering
- Retail and Premises
- Fundraising and Publicity

The Hospice Director is a member of each sub-committee and is responsible for ensuring that decisions made by the Board are carried out within the organisation. The Charity employs a number of staff on part time, fixed term and zero hours contracts and reviews its employment policies to decide the best way in which it can support its operations through effective staffing levels and roles. The change in pension legislation has drawn the Charity this year into beginning to plan for pension provision for next year for qualifying staff and seeking support to manage the process.

New mutually beneficial working relationships have been formed with a group of Hospice CEO's in the north and in particular including neighbouring St Oswald's Hospice, which has led to Tynedale Hospice at Home entering into a Memorandum of Understanding with it with specific arrangements made to support the delivery of identified projects using St Oswald's breadth and depth of management skills. Under this arrangement many of our line managers have had regular contact with St Oswald's operational staff, to share expertise and resources.

**f. RISK MANAGEMENT**

In line with the organisational changes in the charity, the Trustees are re-examining the main areas of the Charity's activities and the main risks likely to arise in each of those areas. The Trustees will satisfy themselves that the systems adopted are adequate to minimise those risks to an acceptable level in the day to day operation of the Charity.

The Charity purchased, as it is within its remit through powers granted by the Charity Act, insurance for the Board of Trustees and employees during the year. This included an amount to indemnify them against liabilities arising in the course of the performance of their duties provided the liability does not arise from fraud, wrong doing or wilful neglect or default on the part of the Board of Trustees and employees.

As staff numbers have increased, and organisational changes have occurred the Hospice has become more exposed to the complexities of employment law. To minimise risk and costs arising from the Hospice's employer/employee relationships, the Charity purchased annual insurance with Wardhadaway, Newcastle to enable the Hospice to draw on employment legal advice and to meet tribunal costs if required. This, coupled with using an HR consultant to manage specific issues, has been very supportive in giving the Director open access to legal advice on employment issues. This consultancy has been partially funded by the Building Capabilities Fund from the Big Lottery.

**TYNEDALE HOSPICE AT HOME**  
**(A company limited by guarantee)**

**TRUSTEES' REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

Major initiatives:

- Continue to develop the integrated approach to provide patient and family centred care and support,
- Delivery against the fundraising strategy that will develop a more robust approach to income generation, including the formation of an Appeals committee and corporate involvement with the business sector,
- Use of new financial systems to improve management accounting, budgeting and strategic planning,
- Continue to develop the business skills of our management team to improve reporting and analysis,
- Secure and move to new office premises which will accommodate all staff members on single site for the first time,
- Develop strategic partnerships with external organisations, in particular St Oswald's Hospice and
- Appoint new Trustees to widen the skill mix on the Board.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 24.11.16 and signed on their behalf by:

  
.....  
**Mrs A M Francis**  
Chair

**TYNEDALE HOSPICE AT HOME**  
**(A company limited by guarantee)**

**TRUSTEES' RESPONSIBILITIES STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2016**

The Trustees (who are also directors of Tynedale Hospice at Home for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**INDEPENDENT EXAMINER'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2016**

**INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF TYNEDALE HOSPICE AT HOME**

I report on the financial statements of the company for the year ended 31 March 2016 which are set out on pages 13 to 24.

This report is made solely to the company's Trustees, as a body, in accordance with section 145 of the Charities Act 2011 and regulations made under section 154 of that Act. My work has been undertaken so that I might state to the company's Trustees those matters I am required to state to them in an independent examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the company and the company's Trustees as a body, for my work or for this report.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER**

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the Act) and that an independent examination is needed. The company's gross income exceeded £250,000 and I am qualified to undertake the examination by being a qualified member of the Institute of Chartered accountants in England and Wales.

Having satisfied myself that the company is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 145 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the Act; and
- state whether particular matters have come to my attention.

**BASIS OF INDEPENDENT EXAMINER'S REPORT**

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the company and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

**TYNEDALE HOSPICE AT HOME**  
**(A company limited by guarantee)**

**INDEPENDENT EXAMINER'S REPORT (continued)**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements:
- to keep accounting records in accordance with section 386 of the Companies Act 2006; and
  - to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charities
- have not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed:

J E Carroll FCA

**ARMSTRONG WATSON**  
Chartered Accountants  
Hexham

Dated:

8 December 2016

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>					
Donations and legacies	2	303,513	88,510	392,023	355,071
Other trading activities	3	235,489	-	235,489	272,621
Investments	4	1,514	-	1,514	900
<b>TOTAL INCOME</b>		<b>540,516</b>	<b>88,510</b>	<b>629,026</b>	<b>628,592</b>
<b>EXPENDITURE ON:</b>					
Raising funds		151,903	-	151,903	129,987
Charitable activities		468,306	80,404	548,710	596,272
<b>TOTAL EXPENDITURE</b>	7	<b>620,209</b>	<b>80,404</b>	<b>700,613</b>	<b>726,259</b>
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>					
		(79,693)	8,106	(71,587)	(97,667)
<b>RECONCILIATION OF FUNDS:</b>					
Total funds brought forward		520,553	7,344	527,897	625,564
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>440,860</b>	<b>15,450</b>	<b>456,310</b>	<b>527,897</b>

The notes on pages 15 to 24 form part of these financial statements.

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)  
REGISTERED NUMBER: 02870776

**BALANCE SHEET**  
**AS AT 31 MARCH 2016**

	Note	£	2016 £	2015 £
<b>FIXED ASSETS</b>				
Tangible assets	10		24,751	26,008
<b>CURRENT ASSETS</b>				
Stocks		-		259
Debtors	11	7,196	20,720	
Investments	12	3,287	49,958	
Cash at bank and in hand		478,473	490,737	
		<u>488,956</u>	<u>561,674</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	<u>(57,397)</u>	<u>(59,785)</u>	
<b>NET CURRENT ASSETS</b>			<u>431,559</u>	501,889
<b>NET ASSETS</b>			<u>456,310</u>	<u>527,897</u>
<b>CHARITY FUNDS</b>				
Restricted funds	14		15,450	7,344
Unrestricted funds	14		440,860	520,553
<b>TOTAL FUNDS</b>			<u>456,310</u>	<u>527,897</u>

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Trustees on 24th November 2016 and signed on their behalf by:

.....  
Mr P Johnston, Trustee

.....  
Mrs A M Francis, Trustee

The notes on pages 15 to 24 form part of these financial statements.



**TYNEDALE HOSPICE AT HOME**  
**(A company limited by guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16 July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**1.2 Company status**

The company is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

**1.3 Fund accounting**

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the company for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

**1.4 Income**

All income is recognised once the company has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

Shop income is recognised at point of sale.

Voluntary income is received by way of donations and fundraising activities, and is included in full in the Statement of Financial Activities when received.

Interest receivable is included when received.

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities. Support costs are those costs incurred directly in support of expenditure on the objects of the company.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

**1.6 Tangible fixed assets and depreciation**

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold Property	-	10% straight line
Improvements	-	
Equipment	-	20% reducing balance
Fixtures and Fittings	-	15% reducing balance
Computer Equipment	-	33% reducing balance

**1.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

**1.8 Operating leases**

Rentals under operating leases are charged to the Statement of financial activities incorporating income and expenditure account on a straight line basis over the lease term.

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.10 Debtors**

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2016**

**1. ACCOUNTING POLICIES (continued)**

**1.11 Cash at Bank and in hand**

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

**1.12 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**1.13 Financial Instruments**

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

**1.14 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

**2. INCOME FROM DONATIONS AND LEGACIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
General donations	148,710	-	148,710	134,840
The Reece Foundation	-	-	-	30,000
The Rainbow Project	-	1,911	1,911	95
Northumberland Care Trust	67,481	-	67,481	61,399
Dorothy Moore legacy	18,920	-	18,920	5,500
Big Lottery Fund	-	71,599	71,599	48,584
Other grants	26,402	-	26,402	28,455
Legacies	15,000	-	15,000	12,746
Personal care and agency income	-	-	-	33,452
Egger Corporate donation	27,000	-	27,000	-
Big Lottery Fund - Building Capabilities	-	15,000	15,000	-
<b>Total donations and legacies</b>	<b>303,513</b>	<b>88,510</b>	<b>392,023</b>	<b>355,071</b>

In 2015, of the total income from donations and legacies, £267,092 was to unrestricted funds and £87,979 was to restricted funds

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**3. RETAIL, FUNDRAISING AND EVENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Shop income	196,543	-	196,543	177,422
Fundraising events	38,946	-	38,946	95,199
	<u>235,489</u>	<u>-</u>	<u>235,489</u>	<u>272,621</u>

In 2015, of the total income from other trading activities, £272,621 was to unrestricted funds and £ NIL was to restricted funds.

**4. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest receivable	1,514	-	1,514	900

In 2015, of the total investment income, £ 900 was to unrestricted funds and £ NIL was to restricted funds.

**5. DIRECT COSTS**

	Nursing Care £	Family Support £	Patient Transport £	Total 2016 £	Total Restated 2015 £
Rent	3,847	3,847	856	8,550	25,647
Rates and water	429	429	95	953	1,564
Repairs and maintenance	3,325	125	-	3,450	-
Motor and travel costs	21,907	-	28,323	50,230	59,350
Light and heat	4,775	4,775	1,061	10,611	9,035
Telephone	3,772	3,772	839	8,383	9,515
Office expenses	936	936	208	2,080	-
Courses and training	1,811	-	-	1,811	-
Compliance and regulations	3,779	-	-	3,779	2,505
Wages and salaries	196,679	47,989	23,863	268,531	301,251
National insurance	10,736	2,735	1,088	14,559	15,696
Depreciation	4,861	427	-	5,288	3,831
	<u>256,857</u>	<u>65,035</u>	<u>56,333</u>	<u>378,225</u>	<u>428,394</u>

In 2015, the company incurred the following Direct costs:

£332,823 in respect of Nursing Care

£72,519 in respect of Family Support

£23,052 in respect of Patient Transport

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**6. SUPPORT COSTS**

	Service Provision	Fundraising expenses	Total 2016	Total Restated 2015
	£	£	£	£
Rent	-	40,500	40,500	36,603
Rates and water	-	4,026	4,026	2,567
Repairs and maintenance	-	4,637	4,637	30,589
Insurance	-	-	-	676
Office expenses	19,400	-	19,400	17,752
Courses and training	664	-	664	8,884
Other expenses	5,240	6,928	12,168	8,612
Advertising	1,197	344	1,541	6,201
Irrecoverable Value Added Tax	18,296	-	18,296	9,727
Agency staff	-	17,501	17,501	-
Legal and professional fees	17,653	-	17,653	6,380
Accountancy & independent examination fees	3,350	-	3,350	3,250
General overheads and financial costs	3,306	-	3,306	66
Trustees and employees insurance	3,686	-	3,686	3,155
Trustee meeting expenses	182	-	182	101
Wages and salaries	90,240	51,932	142,172	131,176
National insurance	6,826	3,052	9,878	10,438
Pension cost	445	-	445	411
	<b>170,485</b>	<b>128,920</b>	<b>299,405</b>	<b>276,588</b>

During the year ended 31 March 2016, the company incurred the following Governance costs:

£28,177(2015 £12,952) included within the table above in respect of service provision.

In 2015, the company incurred the following Support costs:

£154,203 in respect of service provision

£12,952 in respect of governance

£108,710 in respect of retail, fundraising and events

The Trustees have reassessed the allocations of direct and support costs within costs of charitable activities in the current year in accordance with the services provided by the Hospice and believe the allocations reflect a more accurate position of direct and support expenditure incurred.

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**7. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE**

	Staff costs 2016 £	Depreciation 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Retail, fundraising & event expenses	54,983	6,405	90,515	151,903	129,987
<b>Costs of generating funds</b>	<b>54,983</b>	<b>6,405</b>	<b>90,515</b>	<b>151,903</b>	<b>129,987</b>
Nursing Care	304,926	4,861	117,555	427,342	480,685
Family Support	50,724	427	13,884	65,035	84,287
Patient Transport	24,951	-	31,382	56,333	31,300
<b>Charitable activities</b>	<b>380,601</b>	<b>5,288</b>	<b>162,821</b>	<b>548,710</b>	<b>596,272</b>
	<b>435,584</b>	<b>11,693</b>	<b>253,336</b>	<b>700,613</b>	<b>726,259</b>

Of the £700,613 expenditure in 2016 (2015: £726,259), £620,209 was charged to unrestricted funds (2015: £637,317) and £80,404 to restricted funds (2015: £88,942).

**8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	11,691	7,238
Pension costs	445	411

During the year, no Trustees received any remuneration (2015 - £NIL).  
During the year, no Trustees received any benefits in kind (2015 - £NIL).

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**9. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	410,703	432,427
Social security costs	24,436	26,134
Other pension costs	445	411
	<u>435,584</u>	<u>458,972</u>

The average number of persons employed by the company during the year was as follows:

	2016 No.	2015 No.
Retail, fundraising and administrative staff	9	8
Family support staff	6	5
Nursing staff	29	30
	<u>44</u>	<u>43</u>

No employee received remuneration amounting to more than £60,000 in either year.

Remuneration and benefits received by key management personnel amounted to £74,240 including £7,988 employers national insurance contributions and £411 pension contributions.

**10. TANGIBLE FIXED ASSETS**

	Equipment £	Fixtures and fittings £	Leasehold Property Improv'mnts £	Computer equipment £	Total £
<b>Cost</b>					
At 1 April 2015	11,519	52,864	17,876	-	82,259
Additions	3,384	-	-	7,050	10,434
At 31 March 2016	<u>14,903</u>	<u>52,864</u>	<u>17,876</u>	<u>7,050</u>	<u>92,693</u>
<b>Depreciation</b>					
At 1 April 2015	7,572	40,227	8,452	-	56,251
Charge for the year	2,988	6,446	1,787	470	11,691
At 31 March 2016	<u>10,560</u>	<u>46,673</u>	<u>10,239</u>	<u>470</u>	<u>67,942</u>
<b>Net book value</b>					
At 31 March 2016	<u>4,343</u>	<u>6,191</u>	<u>7,637</u>	<u>6,580</u>	<u>24,751</u>
At 31 March 2015	<u>3,947</u>	<u>12,637</u>	<u>9,424</u>	<u>-</u>	<u>26,008</u>

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**11. DEBTORS**

	2016 £	2015 £
Other debtors	7,196	10,949
Prepayments and accrued income	-	9,771
	<u>7,196</u>	<u>20,720</u>

**12. CURRENT ASSET INVESTMENTS**

	2016 £	2015 £
CAF Bank Limited	3,287	49,958
	<u>3,287</u>	<u>49,958</u>

**13. CREDITORS: Amounts falling due within one year**

	2016 £	2015 £
Trade creditors	11,877	2,435
Other taxation and social security	6,173	4,449
Accruals and deferred income	39,347	52,901
	<u>57,397</u>	<u>59,785</u>

**Deferred income**

Deferred income at 1 April 2015  
Resources deferred during the year

£  
-  
6,509



**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**14. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Carried Forward £
<b>Designated funds</b>				
Dorothy Moore legacy	445,500	-	(4,640)	440,860
<b>General funds</b>				
General Funds - all funds	75,053	540,516	(615,569)	-
Total Unrestricted funds	520,553	540,516	(620,209)	440,860
<b>Restricted funds</b>				
Big Lottery Fund	162	71,599	(70,273)	1,488
The Rainbow Project	7,182	1,911	(131)	8,962
Building Capabilities	-	15,000	(10,000)	5,000
	7,344	88,510	(80,404)	15,450
Total of funds	527,897	629,026	(700,613)	456,310

**Designated funds**

The trustees have designated the assets received from the Dorothy Moore Legacy towards the future strategic developments of the charity.

**Restricted funds**

Big Lottery Fund - monies received towards the work of the Children's Bereavement Service (Rainbow Project).

The Rainbow Project - donations received in the year towards the Children's Bereavement Service (Rainbow Project).

Building Capabilities - funding towards the costs associated with the development of the future strategy of the charity.

**SUMMARY OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Carried Forward £
Designated funds	445,500	-	(4,640)	440,860
General funds	75,053	540,516	(615,569)	-
	520,553	540,516	(620,209)	440,860
Restricted funds	7,344	88,510	(80,404)	15,450
	527,897	629,026	(700,613)	456,310

**TYNEDALE HOSPICE AT HOME**  
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2016**

**15. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	24,751	-	24,751	26,008
Current assets	473,777	15,179	488,956	561,674
Creditors due within one year	(50,888)	(6,509)	(57,397)	(59,785)
	<u>440,860</u>	<u>15,450</u>	<u>456,310</u>	<u>527,897</u>

**16. PENSION COMMITMENTS**

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £445 (2015 - £411). There were no contributions included in creditors at the balance sheet date (2015 - £nil).

**17. OPERATING LEASE COMMITMENTS**

At 31 March 2016 the total of the Charity's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
<b>Land and buildings</b>		
Within 1 year	42,250	55,000
Between 1 and 5 years	109,000	132,583
After more than 5 years	22,000	44,000
<b>Total</b>	<u>173,250</u>	<u>231,583</u>
<b>Other</b>		
Within 1 year	6,120	6,120
Between 1 and 5 years	9,331	14,875
<b>Total</b>	<u>15,451</u>	<u>20,995</u>