

# **Forest Holme Hospice Charity**

## **Financial Statements for the year ended 31 March 2015**

### **Trustees' Annual Report – Registered Charity No. 1038021**

#### **Introduction**

The governing document of the Charity is in the form of a Trust Deed dated 26 April 1994. The Charity was registered with the Charity Commission on 25 May 1994, number 1038021 and administers funds for the provision of patient care and staff welfare within Forest Holme Hospice and helps provide specialist palliative care outreach teams whose life-enhancing services provide support and care to people within the communities of Poole, Wimborne and the Purbecks.

#### **Review of Activities**

The Trustees continue to meet at three-monthly intervals. One trustee was elected to the Board during this period, Stuart Bradford, and one trustee was re-elected to the Board during this period, Roger King.

Special fundraising events have been held, including:	Amount raised (after direct event costs deducted)
Light Up A Life 2014	£10,217
Tie A Yellow Ribbon 2014	£4,518
Christmas Raffle 2014	£3,697
Skydive 2014	£3,364
Boat Trip 2014	£1,001

Other fundraising events were organised by local individuals, groups and businesses, including:

The Lord Nelson Pub	£3,337
Poole Lions Club	£2,500
Bournemouth Marathon	£2,418
Casino Night	£2,170
Swanage Carnival	£2,036
Essential Nursing Summer Fayre	£2,000
Ray Ames Golf Day	£1,838

Legacies totaling £27,385 (2013/14 £545,303) have been included in the Accounts.

Charity contributions to the Hospice's running costs during 2014/15 have included:

Contribution towards running costs	£246,000
Two counselling salaries and training	£63,000
One ward nurse salary	£33,000
Building refurbishment	£26,000
Patients' welfare	£12,000
Complementary therapies	£10,000
Staff welfare	£3,000

The newsletter continues to be published at quarterly intervals and has a circulation of 3,152 individuals / organisations and an increasing E-Newsletter circulation of 1,412 which is helping to reduce postage costs.

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Increased social media promotion has resulted in a rapidly increasing online presence on Facebook, Twitter and LinkedIn.

#### **Public Benefit**

The Trustees have given due regard to public benefit when planning the Charity's activities, in accordance with the Charity Commission's guidance on Public Benefit.

The paragraphs above set out our activities, achievements and performance during the year, which are directly related to the objects and purposes for which the Charity exists. The Charity achieves its principal objects and purposes through the provision of patient care and staff welfare at Forest Holme, a residential establishment for palliative care. These benefits are directly related to the aims of the Charity and are fully compliant with the Charity Commission guidance on Public Benefit.

#### **Appointment of Trustees**

New trustees are appointed when existing trustees retire or resign. Trustees would normally be expected to have a professional background (e.g. legal, accounting, medical, or health) or direct involvement in palliative care and would be expected to have a good understanding of the aims and objectives of the Charity and the relationship with Poole Hospital NHS Foundation Trust. In the first instance new Trustees are nominated to the existing Trustees and appointment is confirmed by a majority vote of the existing Trustees.

#### **Financial Summary**

Income for the year totalled £417,000 (2013/14 £1,394,000) mainly from activities for generating funds £161,000 (2013/14 £128,000); donations £157,000 (2013/14 £128,000); legacies £27,000 (2013/14 £546,000); grants £3,000 (2013/14 £508,000), trading income £55,000 (2013/14 £65,000) and £14,000 (2013/14 £19,000) received from dividends and interest on investments.

Expenditure totalled £609,000 (2013/14 £1,757,000). The Trustees decided during the year to contribute an amount of £246,000 to Poole Hospital NHS Foundation Trust towards the running costs of the Forest Holme Hospice as stated on page 1. A subsequent build contribution of £26,000 was given to help meet the cost of the refurbishment and extension. An amount of £106,000 was spent on nursing, complementary therapies and counselling provision (2013/14 £107,000) and £156,000 on cost of generating funds and trading costs (2013/14 £136,000). Patient and staff welfare and amenities amounted to £15,000 (2013/14 £10,000). Other expenditure amounted to £60,000 (2013/14 £49,000).

Cash balances amount to £999,000 (2013/14 £1,486,000) and represent 86.4% (2013/14 91.2%) of all funds invested.

The Trustees have decided to invest a proportion of the charitable funds in Common Investment Funds (CIFs) and would expect these funds to provide long term capital growth and income. CIFs represent 13.6% (2013/14 8.8 %) of all the funds invested. Approximately 84% (2013/14 84%) of these CIF's are invested in equities with the remaining 16% (2013/14 16%) invested in fixed interest securities. During the year the CIF Equity Fund showed an increase in value of 9.6% (2013/14 increase of 2.2%). The CIF fixed interest fund showed a total annual gain of 8.6% (2013/14 loss of 4.9%).

# **Forest Holme Hospice Charity**

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#### **Reserves Policy**

Most of the expenditure incurred by the Charity is in respect of patient and staff amenities at Forest Holme Hospice. Normally the Trustees would expect to hold reserves equal to two to three years' annual budgeted expenditure.

Unrestricted reserves at 31 March 2015 were £897,000 (2013/14 £1,076,000). This is well below the policy level.

The Trustees will review this policy annually.

#### **Risks Policy**

During the year the Trustees considered the major risks to which the Charity is exposed and the procedures currently in place to mitigate these. The management of these and any other risks will be kept under continual review.

#### **Charity Details**

(i) The Trustees of the Charity during the year were:

Dr. Stephen Kirkham (Chairman)  
Mr. Stuart Bradford (Elected July 2014)  
Dr. Saskie Dorman  
Mr. Andrew Goodwin  
Mr. Roger King  
Mr. Peter Moody  
Mrs. Christine Pyatt  
Ms. Sue Whitney

(ii) £157,000 (2013/14 £144,000) - representing 13.6% (2013/14 8.8%) of the total funds is invested on behalf of the Charity by CCLA (COIF) in Common Investment Funds. £145,000 (2013/14 £139,000) - representing 12.5% (2013/14 8.5%) of the total funds is invested with CCLA in a short term deposit account.

The full address of CCLA is as follows: CCLA Investment Management Ltd., 80 Cheapside, London. EC2V 6DZ

(iii) A further amount of £738,000 (2013/14 £1,055,000) representing 63.8% (2013/14 64.7%) is invested in a short or fixed term deposit accounts with Nat West. The full address of Nat West is as follows: Nat West Commercial Banking, 2<sup>nd</sup> Floor, Heron House, 10 Christchurch Road, Bournemouth. BH1 3NR

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- (iv) The Charity's main bank account is held at Barclays Bank, Poole Business Centre, High Street, Poole, BH15 1YA. An amount of £116,000 (2013/14 £292,000) representing 10% (2013/14 17.9%) of the total funds is invested with Barclays in a current/short term deposit account.
- (iv) The investment policy and management of funds is controlled by the Trustees' Committee.
- (v) A full set of accounts for the Charity is attached.
- (vi) The full address of the Charity is:  
  
Forest Holme Hospice Charity  
5 Seldown Road,  
Poole  
Dorset  
BH15 2JB  
  
Telephone number: (01202) 670644
- (vii) The Charity's independent examiner is:  
  
Princercroft Willis Limited, Towngate House, 2-8 Parkstone Road, Poole BH15 2PW

**Approved on behalf of the Trustees**

.....Signature

**Dr Stephen Kirkham, Chairman and Trustee of Forest Holme Hospice Charity**

**22 October 2015**

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**Statement of Trustees' responsibilities**

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Charity and of the incoming resources and application of resources of the Charity for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. 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.

Signed ..... Date: 22 October 2015

**Dr Stephen Kirkham - Chair of Trustees**

## FOREST HOLME HOSPICE CHARITY 2014/15 ACCOUNTS

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### Independent Examiner's Report to the Trustees of Forest Holme Hospice Charity

I report on the accounts of the charity for the year ended 31 March 2015 which are set out on pages 7 to 13.

#### Respective responsibilities of trustees and examiner

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 144(2) of the Charities Act 2011 (the 2011 Act) and that an independent examination is needed. The charity'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.

It is my responsibility to:

- examine the accounts under section 145 of the 2011 Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 145(5)(b) of the 2011 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 charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, 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 accounts present a "true and fair view" and the report is limited to those matters set out in the statement below.

#### 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 130 of the 2011 Act; and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 2011 Act

have not been met; or

2 - to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

**Nicholas Love FCCA ACA**  
**a Director of**  
**Princercroft Willis Limited**  
**2-8 Parkstone Road**  
**Poole**  
**Dorset**  
**BH15 2PW**

**Date.....**

## Statement of Financial Activities for the year ended 31 March 2015

	Note	Restricted £000	Unrestricted £000	2015 Total Funds £000	2014 Total Funds £000
<b>Incoming resources</b>					
<b>Voluntary Income</b>					
Donations		3	154	157	128
Legacies		2	25	27	546
Grants		1	2	3	508
Other income		-	-	-	-
		<u>6</u>	<u>181</u>	<u>187</u>	<u>1,182</u>
Activities for Generating Funds		-	161	161	128
Trading income		-	55	55	65
Investment income	6.3	-	14	14	19
		<u>-</u>	<u>230</u>	<u>230</u>	<u>212</u>
<b>Total incoming resources</b>		<u>6</u>	<u>411</u>	<u>417</u>	<u>1,394</u>
<b>Resources expended</b>					
Cost of Generating Funds	2	-	127	127	106
Trading costs	2	-	29	29	30
<b>Charitable Expenditure:</b>					
Reimbursed cost of nursing	4.1	1	42	43	51
Reimbursed cost of counsellors	4.1	3	60	63	56
Contribution to Poole Hospital for hospice running costs	4.2	-	246	246	400
Contribution to Poole Hospital for refurbishment and extension	4.3	-	26	26	1,055
Staff welfare and amenities		-	3	3	1
Patients' welfare and amenities		2	10	12	9
Miscellaneous		-	1	1	10
Support Costs (Staff Salaries/Administration)	4.1	-	55	55	31
Governance Costs	3	-	4	4	8
<b>Total resources expended</b>		<u>6</u>	<u>603</u>	<u>609</u>	<u>1,757</u>
<b>Net incoming resources</b>		<u>-</u>	<u>(192)</u>	<u>(192)</u>	<u>(363)</u>
<b>Gains on investment assets:</b>					
Unrealised	6.1	-	13	13	2
<b>Net movement in funds</b>		<u>-</u>	<u>(179)</u>	<u>(179)</u>	<u>(361)</u>
<b>Fund balances brought forward at 31 March 2014</b>		-	1,076	1,076	1,437
<b>Fund balances carried forward at 31 March 2015</b>	5	<u>-</u>	<u>897</u>	<u>897</u>	<u>1,076</u>

The accompanying accounting policies and notes form an integral part of these financial statements.

During the year the following restricted donations were received and expended:  
Donations totalling £6k from Dorset Cancer Care Foundation, The Digby Trust and individual donors restrict the funds to the use of furniture/fittings, counselling service, nursing staff and the bereavement group.

**Balance Sheet as at 31 March 2015**

	Notes	<b>31 March 2015 £000</b>	31 March 2014 £000
<b>Fixed Assets</b>			
Investments	6	<u>157</u>	<u>144</u>
<b>Total Fixed Assets</b>		<b>157</b>	144
<b>Current Assets</b>			
Stock		1	2
Cash at bank and in hand	7	999	1,486
Debtors	8	<u>9</u>	<u>23</u>
		<b>1,009</b>	1,511
<b>Creditors: Amounts falling due within one year</b>			
	9	(269)	(579)
<b>Net Current Assets</b>		<u>740</u>	<u>932</u>
<b>Net Assets</b>	10	<u>897</u>	<u>1,076</u>
<b>Income Funds</b>			
Unrestricted		897	1,076
<b>Total Funds</b>		<u>897</u>	<u>1,076</u>

The financial statements were approved by the Trustees on: .....

Trustee \_\_\_\_\_  
**Dr.S.Kirkham**

The accompanying accounting policies and notes form an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS

### PRINCIPAL ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005, and with the Financial Reporting Standards for Smaller Entities (effective 2008).

#### 1.2 INCOME

##### Donations and gifts

All monetary donations and gifts are included in full in the statement of financial activities when receivable, provided that there are no donor-imposed restrictions as to the timing of the related expenditure, in which case recognition is deferred until the pre-condition has been met.

Legacies to which the Charity is entitled are included in the statement of financial activities unless they are incapable of measurement.

Cash collected to which the Charity is legally entitled but which has not been received at the year end is included as income.

Donations under gift aid together with the associated income tax recoveries are credited as income when the donations are received.

##### Investment income

Investment income, including associated income tax recoveries, is recognised when receivable.

#### 1.3 EXPENDITURE

Expenditure is recognised when a liability is incurred and is accounted for on an accruals basis. The expenditure comprises:

- (i) charitable expenditure incurred directly for the fulfilment of the Charity's objectives; to deliver its activities and services for its beneficiaries.  
This includes costs that can be allocated directly to activities and those of an indirect nature necessary to support them.
- (ii) costs of generating funds incurred directly in the effort to raise voluntary contributions i.e. fundraising and publicity.
- (iii) expenditure incurred in the management and administration of the Charity (support costs); and
- (iv) governance costs comprising costs to meet the statutory requirements of the Charity, including audit fees and costs linked to the strategic management of the Charity.

Administration salaries have been allocated between governance and support costs.

#### 1.4 INVESTMENTS

Assets held for investment purposes are valued at market value at the Balance Sheet date.

Traded securities are valued at the mid-point quotation in the Stock Exchange daily list.

#### 1.5 STOCK

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

<b>2 Costs of Generating Funds</b>	<b>Total 2015 Funds £000</b>	Total 2014 Funds £000
Salaries	106	78
Fundraising Expenses	15	19
Trading costs	29	30
Marketing & PR	6	9
	<u>156</u>	<u>136</u>

<b>3 Governance Costs</b>	<b>Total 2015 Funds £000</b>	Total 2014 Funds £000
Independent auditor	-	4
Independent examiner	2	-
Accountancy fees - VAT services	2	3
Strategy costs	-	1
	<u>4</u>	<u>8</u>

**4 Charitable Expenditure**

**4.1 Analysis of Staff Costs**

There were no staff employed directly by the Charity. Staff are employed by Poole Hospital NHS Foundation Trust and the costs shown above in Note 2 and the Statement of Financial Activities on Page 7 relate to the reimbursement of these staff costs to Poole Hospital NHS Foundation Trust.

The trustees have received no remuneration or reimbursed expenses from the Charity in the current and preceding years.

**4.2 Contribution to Poole Hospital**

The Charity agreed to pay an amount of £246k as a contribution to the costs of running the Forest Holme Hospice for 2014/15 and this sum was paid in July 2015 to Poole Hospital NHS Foundation Trust.

**4.3 Contribution to Poole Hospital for Build Costs**

The Charity agreed to pay an amount of £26k as a further contribution towards the refurbishment and extension of Forest Holme Hospice.

<b>5 Changes in Resources Available for Charity Use</b>	<b>Total 2015 Funds £000</b>	Total 2014 Funds £000
<b>At 1 April 2014</b>	<b>1,076</b>	1,437
Incoming Resources	417	1,394
Expenditure	(609)	(1,757)
Gains/(Losses) on Investment Assets	13	2
<b>At 31 March 2015</b>	<u><b>897</b></u>	<u>1,076</u>

<b>6 Analysis of Fixed Asset Investments</b>	<b>2015 Total £000</b>	<b>2014 Total £000</b>
<b>6.1 Fixed Asset Investments</b>		
<b>Market value at 1 April 2014</b>	<b>144</b>	<b>142</b>
Net Gain/(loss) on revaluation	13	2
<b>Market value at 31 March 2015</b>	<b><u>157</u></b>	<b><u>144</u></b>

If the fixed asset investments had not been revalued, they would have been included on the historical cost basis at the following amount :-

<b>Historic Cost at 31 March 2015</b>	<b><u>120</u></b>	<b><u>120</u></b>
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Listed investments are stated at their mid market value as at the balance sheet date.  
All investments are held within the UK.

## 6.2 Note on Common Investment Fund

<b>The Common Investment Fund comprises</b>	<b>2015 Total £000</b>	<b>2014 Total £000</b>
Equity Fund (COIF Investment Fund Income Shares)	132	121
Fixed Interest Fund (COIF Fixed Interest Income Shares)	25	23
<b>Total</b>	<b><u>157</u></b>	<b><u>144</u></b>

## 6.3 Analysis of Gross Income from Investments

<b>Investment Income</b>	<b>2015 Total £000</b>	<b>2014 Total £000</b>
Interest on cash deposits	8	13
Investments in a Common Investment Fund	6	6
<b>Total</b>	<b><u>14</u></b>	<b><u>19</u></b>

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7	<b>Analysis of Cash</b>	<b>Total 2015 Funds £000</b>	Total 2014 Funds £000
	Barclays (short term deposit account)	116	292
	COIF (short term deposit account)	145	139
	Nat West (short term deposit account)	738	1,055
		<u>999</u>	<u>1,486</u>

8	<b>Analysis of Debtors</b>	<b>Total 2015 Funds £000</b>	Total 2014 Funds £000
	Gift Aid	3	19
	VAT	3	1
	Accrued income	2	2
	Prepayments	1	1
		<u>9</u>	<u>23</u>

9	<b>Analysis of Creditors</b>	<b>Total 2015 Funds £000</b>	Total 2014 Funds £000
	<b>Amounts falling due within one year:</b>		
	Independent examiner's fees	2	-
	Auditor's fees	-	4
	Accountancy fees - VAT	-	1
	Poole Hospital NHS Foundation Trust (see note below)		
	Running costs contribution	246	400
	Final installment contribution of refurbishment	-	174
	Accruals	21	-
	<b>Total creditors falling due within one year</b>	<u>269</u>	<u>579</u>
	<b>Total Creditors</b>	<u>269</u>	<u>579</u>

Note: Balance as at 31 March 2015 owing to Poole Hospital NHS Foundation Trust relates to a contribution to the running costs for Forest Holme Hospice to which the Charity was committed at the year end.

<b>10 Analysis of Net Assets Between Funds</b>	<b>Unrestricted Total 2015 Funds £000</b>	<b>Unrestricted Total 2014 Funds £000</b>
Investments	<b>157</b>	<b>144</b>
Current assets	<b>1,009</b>	<b>1,511</b>
Current liabilities	<b>(269)</b>	<b>(579)</b>
<b>Total</b>	<b><u>897</u></b>	<b><u>1,076</u></b>
	<b>Total 2015 Funds £000</b>	<b>Total 2014 Funds £000</b>
<b>Unrealised gains/(losses) included above on investment assets (See note below)</b>	<b><u>37</u></b>	<b><u>24</u></b>
Reconciliation of movements in unrealised gains on investment assets		
Unrealised gains at 1 April	<b>24</b>	22
Add: net (losses)/gains arising in year	<b>13</b>	2
	<b><u>37</u></b>	<b><u>24</u></b>

**11 Related Party Transactions**

Poole Hospital NHS Foundation Trust operates Forest Holme Hospice. The Charity supports the Hospice financially and is committed to pay for certain agreed staff costs and amenities. The amounts are detailed in Note 4 and the Statement of Financial Activities on page 7.

The Charity agreed to make a contribution of £246k to Poole Hospital NHS Foundation Trust for the running costs of Forest Holme Hospice during 2014/15. This appears in notes 4.2 on page 7 and note 9 on page 12.

The following Trustees of the Charity are also employees of Poole Hospital: Dr Saskie Dorman (Consultant), Andrew Goodwin (Deputy Finance Director) and Sue Whitney (General Manager).

Stuart Bradford, a Trustee, is also a Partner at Coles Miller Solicitors LLP, the Charity's solicitors.

Peter Moody, a Trustee, is also a Director of Coleman Insurance, the charity's insurance broker. Insurance costs with Coleman insurance were £831 (2014: £707) for the year.