

REGISTERED COMPANY NUMBER: 03166056 (England and Wales)

REGISTERED CHARITY NUMBER: 1053814

**CONSOLIDATED TRUSTEES' REPORT AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2019
FOR
ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)**

Duncan & Toplis Limited, Statutory Auditor
4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

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FOR THE YEAR ENDED 31 MARCH 2019**

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ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mr P Banton
Dr D Boldy
Mr G Dawson - resigned 15.11.18
Mr P Hoskins
Mrs A Legate
Mr D Libiszewski
Mr A Maltby
Mr R F Neilans
Mrs K Rossdale
Mr A G Henderson - appointed 26.4.18
Mrs S Knight - appointed 29.5.18
Mr S Elkington - appointed 06.3.19

Company Secretary

A J M Maltby

Chairman of the Board of Trustees

Mr R F Neilans

Chief Executive

Mr Chris Wheway

Registered Company number

03166056 (England and Wales)

Registered Charity number

1053814

Registered office

36 Nettleham Road
Lincoln
Lincolnshire
LN2 1RE

Senior Statutory Auditor

Timothy Godson FCA

Auditors

Duncan & Toplis Limited, Statutory Auditor
4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

Internal Auditors

Wright Vigar
15 Newland
Lincoln
LN1 1XG

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

REFERENCE AND ADMINISTRATIVE DETAILS CONTINUED

Bankers

National Westminster Bank plc
225 High Street
Lincoln
LN2 1AZ

Solicitors

Andrew & Co
St Swithin's Court
1 Flavian Road
Lincoln
LN2 4GR

Investment Managers

Quilter Cheviot
St Helen's
1 Undershaft
London
EC3A 8BB

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2019. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Overview

During the last twelve months the Hospice has continued to provide excellent palliative and end of life care throughout Lincolnshire.

The support from the people of Lincolnshire is outstanding along with the commitment of the local Clinical Commissioning Groups and the NHS to promote the development of palliative and end of life care. During the year, the Hospice has been able to fund comprehensive service provision and achieve the objective of having reserves of six months running costs.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Structure, Governance and Management

The Charity was created by trust deed as a registered charity (number 1053814) and is a company limited by guarantee (number 03166056). The charitable company is governed by its Memorandum and Articles of Association.

The charitable company is registered in the name of St Barnabas Hospice Trust (Lincolnshire). The Charity's principal and registered office address is 36 Nettleham Road, Lincoln, LN2 1RE.

The Trust is governed by a Board of trustees who meets at least six times a year to ensure the strategic leadership and governance of the Charity.

Trustee Recruitment

At the end of the fiscal year there were eleven trustees serving on the Trust Board recruited through advertisement and/or personal recommendation. The membership of the Board is drawn from two main areas, clinical and business. We continue to recruit trustees from across the county in order to extend our local representation. Applicants with general life experience are encouraged to apply for trustee vacancies to ensure that services delivered by the Trust remain focused on the needs of the users of our services, namely patients and carers. At any one time the Board includes at least one trustee from the following professional backgrounds; Medical, Nursing, Legal and at least one trustee with experience of the management of finance and application of Information Technology (IT).

The Trust Board is supported in its role of strategic leadership by three committees; the Income Generation Committee, Resources Committee and Patient Care Committee. The committees were established to ensure effective performance and risk management of the Trust's business. These committees review data and additional information that might affect the Trust's strategic plan or indicate an increased risk to existing plans and services.

Executive

The day to day management of the Trust is the responsibility of the Chief Executive and the Executive Team. The Executive Team is responsible for the implementation of the Trust's business plan and, in this capacity, are responsible for budgetary control, production and implementation of operational policies, resources management and compliance with governance arrangements.

Key management remuneration

The Trust Board considers the performance of the Chief Executive and Executive Management Team through an annual appraisal. Executive remuneration is set annually by the Remuneration Committee which consists of the trustees.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Subsidiary Companies

The trust wholly owns two subsidiary companies; St Barnabas Shops Limited and St Barnabas Promotions Limited. The two companies were established to assist in the funding of the Charity with profits gift-aided annually. Both of these companies are limited companies and have their own board of directors, consisting of Trustees on the Charity's Trust Board and the Chief Executive Officer.

Risk management

The Trust Board acknowledges that it operates in a complex and ever-changing environment and is subject to a range of risks. During 2018/19 the Trust continued to operate under an integrated governance framework which supported the ongoing review of assessed risks. The Trust manages its principal risks and uncertainties through regular review of the Board Assurance Framework at Trust committee meetings, documenting the nature of each corporate risk and the action plan to address them.

Changes to the way healthcare services are commissioned and the development of the national **sustainability and transformation** plans has created an environment of greater uncertainty in the health sector, particularly to how services will be delivered and funded in the future. To mitigate against these risks the Trust has reviewed its services and produced a clinical strategy for the next five years and continued to invest in its fundraising department to maintain future income streams.

During 2018/19, the Trust operated a policy that at least 40% of free reserves would be held in short term liquid assets, including funds invested in the stock market by our appointed investment manager, Quilter Cheviot. The investment portfolio consists of a mix of bonds and gilts, domestic and overseas equities and property funds.

The Trust's business plan reviews forecast income against likely expenditure, prioritises areas of future investment in line with key organisational objectives and identifies contingency plans to address risks associated with future income streams. Services commissioned by the NHS are managed through the Lincolnshire West Clinical Commissioning group on behalf of the four Lincolnshire Clinical Commissioning Groups. Separately, the Lincolnshire South West Clinical Commissioning Group commissions the provision of our hospice in the hospital facility in Grantham.

With an ageing population there will be increased demand for both health and social care with a strong likelihood there will be insufficient funding available to support current service provision arrangements. This may mean that commissioning and funding arrangements for palliative and end of life care services will change as the new services are redesigned and the funding structure for palliative care is reviewed. We will monitor these changes and consider how this might influence the funding and associated provision of future services as we develop our strategic plans.

The Trust recognises that the ongoing investment in its IT infrastructure is of paramount importance both in terms of healthcare management of individual patients but also to enable deployment of efficient business management of services and resources. The Trust continues to invest in its IMT infrastructure in support of the stated strategic objectives through enabling more remote and mobile working to in-reach across the whole of the county. The IMT investment program will continue into 2019/2020 with the deployment of both clinical and non-clinical software systems to improve efficiency and help meet the demand of doing more with less resource.

During 2018/2019 the Charity has achieved satisfactory completion of the NHS Information Governance Compliance framework in March 2019.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

STRUCTURE, GOVERNANCE AND MANAGEMENT

Human Resources

Staff retention and recruitment remains a significant risk to the organisation; potentially affecting the ability to ensure delivery of services to patients. To address this risk the Trust has an active recruitment policy, succession planning programs and a staff development framework.

During 2018/19 the Trust employed an average whole time equivalent (WTE) of 289 staff (2018: 284) comprising: patient-facing clinical staff: 144 (2018: 142), income generation staff (shops, lottery, fundraising): 94 (2018: 91), Administration and support staff (Human Resources, IT and Finance, Maintenance, Housekeeping, Catering, Governance, Training and Education): 51 (2018: 51).

Fundraising

All fundraising activity is undertaken by professional employed fundraisers who are supported by our team of volunteers. The Fundraising team project manage the process from start to finish with each fundraiser planning and executing activities in line with outlined budgets and targets. Governance of all fundraising activity is monitored through the separate Income Generation and Resources Committees that report to the overall Trust Board. All Committees comprise of Executives and Trustees. The team work closely with the National Association of Hospice Fundraisers. Currently this group is chaired by our own Trust managers.

In addition, all Fundraisers and managers within the Department up to Executive level are members of and subscribe to, activities and initiatives coordinated by the Institute of Fundraising. There have been no reported failings in complying with standards set for Fundraising Regulation and no complaints about our activities.

Events and initiatives are regularly undertaken in support of St Barnabas by members of the public. These are coordinated by our Community Fundraising team who oversee the activities' development and execution. It is part of their role that each event is run in line with our own standards at all levels.

The Trust ensures all fundraising activity complies with the General Data Protection Regulations and all procedures relating to supporter care, including management of our database adhere to current regulation rules and frameworks. All personal information is handled appropriately and as a priority. There are mailing calendars in place to ensure that any direct marketing is managed appropriately. We are acutely aware of managing the process of contacting our supporters professionally.

At St Barnabas Hospice we are committed to creating a safe and rewarding environment for all of our people to work and volunteer. There is a robust safeguarding policy to ensure everyone is treated properly, and a whistle blowing procedure to enable any concerns to be raised confidentially. The Trust has a zero-tolerance approach to breaches of our safeguarding policies and thoroughly investigate all alleged breaches. The policy, which aims to improve the knowledge and understanding of staff and volunteers, irrespective of their position, is regularly reviewed.

Some of our fundraising staff carry out roles that require them to work with people who are considered to be at higher risk of harm, including children and vulnerable adults. We carry out criminal record checks for people in these roles and offer comprehensive safeguarding training to senior managers in other relevant positions. To ensure we are continually maintaining the highest standards of safeguarding, we monitor guidance from Government, and the Charity Commission.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

OBJECTIVES AND ACTIVITIES

Objectives and aims

Our Vision, Mission and Values provide the foundation of our organisational strategy and direction and guidance in delivering our goals. They were developed by and belong to our most important asset, our people and define our aspirations, purpose and the core beliefs.

Our Vision is a world where dying with dignity compassion and having choices is a fundamental part of life.

Our Mission is to ensure all individuals facing the end of their life in Lincolnshire receive dignified, compassionate care when they require it and where they ask for it.

Our Values

- **Aiming High** - We reach for excellence and set the standard for others to follow. Celebrating individual and collective success and actively looking for ways to be even better.
- **Being Courageous** - We push boundaries and provide challenge — standing up for what is right and supporting others to make a difference across all aspects of our work.
- **Working Better Together** - We recognise the power of community; building connections and relationships which help us make a positive contribution. Respecting and valuing all contributions - we are ONE team, united and inspired by our common purpose.
- **Having Heart** - People are at the centre of all we do. We're proud of our ability to work in tough situations with resilience, empathy and kindness.
- **Doing it Right** - We are ethical, honest and use resources respectfully. Taking responsibility for our actions and doing what we say we'll do — we challenge others to do the same.

To achieve this vision, St Barnabas operates as a partner and as an integral member of the health and social care community. Through the development of partnerships with colleagues in other agencies and establishing networks both locally and nationally we seek to enhance the development of services throughout Lincolnshire.

Public benefit

Services provided by St Barnabas are for the benefit of patients with a terminal illness who are resident in Lincolnshire. Our teams will support families and carers, both during the patients' illness and in bereavement, irrespective of whether the patient themselves received care from our teams. The charity also aims to advocate for and influence the wider development of palliative care services and through this, aims to ensure that the benefits of our service, knowledge, experience and skills are extended to the wider population.

The trustees consider that they have complied with their duties under the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission.

Volunteers

Over 1,000 volunteers are based across the Trust with 63% of these within our Shops and Fundraising teams. Our clinical volunteers work to support all other areas of the Trust, for instance within our In-Patient Units, providing bereavement support and delivering a range of spiritual, wellbeing and complimentary therapies. During 2018/2019 our volunteers donated an estimated 70,000 hours of their time to the hospice, which at the minimum wage and on-costs such as employer national insurance, would equate to a donation in excess of £630,000.

Our people are our most important resource and ensuring we recruit and retain a workforce with the right skills is crucial in order to ensure we continue to deliver high quality specialist palliative care. We are two years into our Workforce Strategy, and our focus on engagement and appropriate and affordable reward, recognition and development can be seen through our external staff engagement accreditation award, revised recruitment procedures, a reward and recognition programme and an appraisal and increment process that is focused on performance, values and results. Our next stage is to continue to develop our leaders through a series of leadership development workshops.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

STRATEGIC REPORT

Achievement and performance

Charitable activities

Over the last year St Barnabas Hospice Trust has continued to provide a full range of services to patients throughout Lincolnshire. The following provides a summary of activity over the last twelve months:

	2018	2019
Palliative Care Co-ordination Centre		
New Patient Referrals	1,733	2,469
Calls handled	65,028	64,753
In-Patient Unit		
Total Admissions	203	219
Unit Occupancy (%)	75%	75%
Average Length of Stay (Days)	15.4	13.2
Allied Health Professionals		
Number of Patients	759	1,341
Day Therapy		
Number of Patients	1,221	1,136
Average Length of Care (Days)	220	218
Hospice at Home		
Number of Patients	1,821	1,949
Average Length of Care (Days)	26.9	29.1
Specialist Palliative Care – Other		
Out Patients	81	88
In Reach	21	22
Advice/Consultation	253	253
Family Support Services		
Number of clients	656	766
Welfare		
Number of clients	4,020	4,146
Estimate of benefits	£8,016,259	£8,628,284
Hospice in the Hospital		
Number of Admissions	152	180
Occupancy (%)	70%	67%
Average Length of Stay (Days)	10.0	8.0

STRATEGIC REPORT

Achievement and performance

Charitable activities

Achievements during 2018/19

- **Implementation of Project Echo**

Project Echo is an evidenced based system of education delivering better outcomes through video technology rather than traditional methods, removing the need to travel to events. Project Echo develops a community of practice through a Hub and Spoke model that shares knowledge and equips clinical teams to educate in best practice through a collaborative approach to support learning with a goal of improving clinical decision making.

During 2018/19 the Trust collaborated with Hospice UK on the Project Echo model to establish the Lincolnshire "Community of Practice" with twelve Care Home providers across the county. This equates to supporting 432 Nursing/Residential Care Homes beds and increases the reach of the Trust into new areas.

Participant feedback from the Project to date has been largely positive with:

- 100% of the participants confirm they had learned something from engaging with a Community of Practice
- 100% of participants agreed the curriculum was relevant to their needs.
- 83% of participants agreed the curriculum met their objectives
- 83% of participants agreed the ECHO session provided more professional support
- 58% of participants responded that most of their learning came from the experts
- 42% of participants responded that most of their learning came from the other Care Home participants through the case presentations and shared learning
- 83% of participants reported that self-confidence had improved from engagement with the Community of Practice

The Project Echo programme will continue throughout 2019/20.

- **Patient and Public Engagement**

Lack of communication around death and dying means people are often not dying in their preferred place. This can often increase anxiety in families and friends who may need to make important and difficult decisions with a person as they approach the end of their life, and which can cause unnecessary distress affecting individuals and families into bereavement. Encouraging conversations in communities about death and dying in a positive and productive way is an important way of engaging and involving people, shaping end of life services along the principles of co-design, promoting advanced care planning and breaking down the taboos that exist in talking about death dying and bereavement.

During 2018/19 the Trust undertook a number of projects so deliver better outcomes for patients:

1. The **Consistent Companions Service** provides unlimited time support to people experiencing palliative illness ensuring that they continue to be active and engage with their local communities for as long as they are able. Companions work on an individual basis with a client, often taking them on social trips and supporting them with hospital visits where necessary. As one client told us – "a weekly visit and a small trip out makes all the difference to us."

STRATEGIC REPORT

Achievement and performance

Charitable activities continued

2. Creation of **bereavement help points and Wellbeing 'drop in sessions**. Targeting areas on the east coast and in more rural parts of Lincolnshire to create café style environments where people were able to come and talk to members of the wellbeing team and receive support. This enabled more open and informal conversations and the opportunity to be able to signpost into structure bereavement support where necessary. 'Drop in' groups are now well established in local villages such as Ruskington and Wigtoft near Boston, Sleaford and Skegness which regularly attract 10 - 15 people at each session. Qualitative feedback from attendees has been positive and demonstrates a reduction in social isolation and increased community support, with many members organising their own local activities and contacts. The creation of a number of 'pop' up sessions, for example in the Waterside Centre in Lincoln encouraged local people to engage in conversations about our services and their experiences of end of life care and bereavement support. Visitors benefited from free hand relaxation massage and the opportunity to talk to our staff and volunteers.
3. It is important for people who receive care in our inpatient unit, and their families to have opportunities to access our wellbeing services, to be able to enjoy 'every day' conversation and relaxation and remain connected with the outside world. To support this ambition the Trust established a dedicated ward volunteer wellbeing team. Following a targeted recruitment drive, the Trust successfully recruited 16 members of the local community and provided training in a range of 'soft' therapies including hand relaxation massage and listening skills. We were delighted to receive applications to volunteer from students at Lincoln University and 6th form Students from local schools to bring a different dimension to the role, helping them to prepare for future careers in nursing and medicine, and acting as ambassadors for hospice care in their local communities. Supervision and ongoing training is provided and we have provided more than 120 hours of volunteer support in the Unit. Feedback from patients and their families is excellent, for example helping a patient to enjoy meals with encouragement from a wellbeing volunteer and improved relaxation following hand massage.
4. Our shops provide a focal point in local communities and we have used this as an opportunity to encourage the general public who visit to tell us what they know about our services. Rather than using a traditional questionnaire, we piloted a simple 'postcard' style set of questions for shoppers to complete in selected shops. We collected and analysed more than 40 completed cards and have been able to identify which of our services are well known, and where we need to increase awareness. This will inform our engagement work going forward and we will continue to use this simple and quick method to gain feedback from the general public. We also recognise the importance of donating a loved ones clothes or other belongings to one of our charity shops. This is an important part of the grieving process and we have provided ongoing training and support to our shop staff and volunteers to enable them to support members of the public who chose to donate to our shops following bereavement.

Financial review

Financial position

During the 2018/19 financial year the Trust expected to post a deficit of (£0.330m) but achieved a deficit of (£0.043m). The turnaround occurred because of higher than expected legacy income, lower salary costs, and a contingency for clinical staff restructuring that did not materialise. Income from all sources amounted to £12.008m (2018: £11.976m) of which 43% was generated through NHS contracts, and 57% through fundraising, donation and investing activities. Expenditure for the same period was £12.153m (2018: £11.817m).

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

STRATEGIC REPORT

Financial position continued

The Trust's investment portfolio performed better than the previous year and the Trust had a net gain on investments of £102k compared to a loss the previous year (2018: £110k). Investment income in the form of dividends and interest at £0.330m exceeded expectations (2018: £0.303m).

Performance of Subsidiaries

During the year St Barnabas Shops Ltd donated £2.432m (2018: £2.356m) to the Trust and St Barnabas Promotions Ltd donated £0.694m (2018: £0.707m) to the Trust.

3 year plan

During the next three years the Trust expects the fiscal outlook to be more challenging with the continued increases in the National Living Wage and more stringent fundraising regulation putting pressure on hospice finances. The Trust has produced a three year financial plan that forecasts a deficit of (£164k) in 2019/20, a deficit of (£30k) in 2020/21 and a deficit of (£25k) 2021/22.

During the year the Trustees approved investment in the fundraising team to drive future income generation and ensure our income streams match our expenditure.

Reserves policy

Each year the Board of Trustees reviews the level of reserves required to cover key financial and operational risks faced by the Trust and to support the five-year clinical strategy. Given the large fixed infrastructure coupled with the current economic and political uncertainty in the local health sector, the Board of Trustees consider that it is necessary to adopt a prudent approach to reserves management by holding a combination of cash and short-term assets to fund at least six months' running costs.

The general reserves are drawn from unrestricted funds, excluding funds designated for future capital projects, legally restricted funds, funds already invested in tangible fixed assets, and a designated investment fund that provides the Trust with an invaluable source of revenue income that supports the everyday running costs of the hospice. The Trust achieved the reserves objective in 2018/19 and plans to maintain this level of return in the medium term. St Barnabas has a phased plan for the use of these designated funds which may change at any time at the discretion of the Board based on the needs of the charity.

Reserve Fund	£
Fixed Asset Fund	3,800,091
Revaluation Reserve	1,301,914
Income Investment Fund	6,929,850
Revenue Reserve	1,855,293
Designated Funds	
Louth Wellbeing	350,000
Grantham Wellbeing	100,000
Inpatient Unit	1,000,000
Lincoln Wellbeing	500,000
Restricted Funds	
Boston Wellbeing	440,076
Other Restricted Funds	1,738,454
Total Funds	18,015,678

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2019

STRATEGIC REPORT

Financial review

Reserves policy continued

The consolidated accumulated funds at 31 March 2019 amounted to £18.016m (2018: £18.058m), of which restricted funds were £2.179m (2018: £1.870m). The current level of unrestricted reserves is £15.837m, of which £3.800m represents the fixed assets of the Charity, £1.950m is designated for future capital improvements, investment fund of £6.930m, revaluation reserve of £1.302m and £1.855m in a general revenue reserve.

Investment policy and objectives

As part of its ongoing risk and reserves assessment the Charity has appointed Quilter Cheviot to provide discretionary investment management. At the end of the year the funds invested were valued at £7.5m (2018: £7.4m).

The board has an agreed statement of investment principles. The objective is to provide sufficient income to help support the Trust's objects whilst maintaining the real value of assets over the long term using a combination of equities, fixed income stocks, cash and alternative investments.

During the 2018/19 year the Trust earned £531,833 of income from its managed investment portfolio arising from dividends, interest received and realised gains from equity disposals. This return represents a return on investment of 7.14% compared to the target return of 4%.

In addition to the investment:

- a Resources Committee which regularly reviews performance
- an ethical investment policy which is to avoid companies involved in the manufacture of tobacco products

The trustees keep under review the diversification of the funds held by way of reserves.

Provision of information to Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable group's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of St Barnabas Hospice Trust (Lincolnshire) 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 which give a true and fair view of the state of affairs of the charitable group and company and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable group and company will continue in business.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2019**

STATEMENT OF TRUSTEES RESPONSIBILITIES CONTINUED

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable group 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 charitable group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Duncan & Toplis Limited, Statutory Auditor, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the group directors, on and signed on the board's behalf by:

.....
R F Neilans - Trustee

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

Opinion

We have audited the financial statements of St Barnabas Hospice Trust (Lincolnshire) (the 'charitable company') for the year ended 31 March 2019 which comprise the consolidated Statement of Financial Activities, the consolidated and parent Statement of Financial Position, the consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable group and company's affairs as at 31 March 2019 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group and company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable group and company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

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:

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable group and company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable group and company or to cease operations, or have no realistic alternative but to do so.

Our responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable group and company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable group and company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable group and company and the charitable group and company's members as a body, for our audit work, for this report, or for the opinions we have formed.

.....
Timothy Godson FCA (Senior Statutory Auditor)
for and on behalf of Duncan & Toplis Limited, Statutory Auditor
4 Henley Way
Doddington Road
Lincoln
Lincolnshire
LN6 3QR

Date:

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	Unrestricted funds £	Restricted fund £	2019 Total funds £	2018 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	2,691,085	524,747	3,215,832	3,202,911
Charitable activities	6				
Health authority and NHS Lincolnshire contracts		5,162,417	-	5,162,417	5,162,081
Other charges and contributions		-	39,418	39,418	31,220
Other grants received		-	18,750	18,750	-
Other trading activities	4	3,226,723	14,482	3,241,205	3,276,348
Investment income	5	330,466	-	330,466	303,105
Total		11,410,691	597,397	12,008,088	11,975,665
EXPENDITURE ON					
Raising funds	7	3,670,025	-	3,670,025	3,666,616
Charitable activities	8				
Inpatient & Acute Hospital Support		3,263,806	288,508	3,552,314	3,389,595
Community Care		4,043,235	-	4,043,235	3,895,085
Supportive Care		887,510	-	887,510	865,872
Total		11,864,576	288,508	12,153,084	11,817,168
Net gains/(losses) on investments		102,435	-	102,435	(110,023)
NET INCOME/(EXPENDITURE)		(351,450)	308,889	(42,561)	48,474
RECONCILIATION OF FUNDS					
Total funds brought forward		16,188,598	1,869,641	18,058,239	18,009,765
TOTAL FUNDS CARRIED FORWARD		<u>15,837,148</u>	<u>2,178,530</u>	<u>18,015,678</u>	<u>18,058,239</u>

The notes form part of these financial statements

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2019**

		2019	2018
	Notes	£	£
FIXED ASSETS			
Tangible assets	15	5,498,673	5,995,569
Investments			
Investments	16	7,479,809	7,399,493
Investment property	17	<u>2,000,000</u>	<u>2,000,000</u>
		14,978,482	15,395,062
CURRENT ASSETS			
Stocks	18	130,486	101,125
Debtors	19	1,341,062	1,551,929
Cash at bank and in hand		<u>2,857,427</u>	<u>2,231,064</u>
		4,328,975	3,884,118
CREDITORS			
Amounts falling due within one year	20	(1,291,779)	(1,220,941)
		<u>3,037,196</u>	<u>2,663,177</u>
NET CURRENT ASSETS			
		<u>18,051,678</u>	<u>18,058,239</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			
		<u>18,051,678</u>	<u>18,058,239</u>
NET ASSETS			
		<u>18,051,678</u>	<u>18,058,239</u>
FUNDS			
	22		
Unrestricted Funds:			
Fixed Asset Fund		3,800,091	6,073,193
Development Fund		-	3,289,951
Revenue Reserve		1,855,293	5,413,517
Revaluation Reserve		1,301,914	1,411,937
Investment Reserve		6,929,850	-
Designated Fund – Louth Wellbeing		350,000	-
Designated Fund – Grantham Wellbeing		100,000	-
Designated Fund – Inpatient Unit		1,000,000	-
Designated Fund – Lincoln Wellbeing		<u>500,000</u>	-
		15,837,148	16,188,598
Restricted Funds:			
Restricted Funds – Other Restricted Funds		1,738,454	1,869,641
Restricted Funds – Boston Wellbeing		<u>440,076</u>	-
		<u>2,178,530</u>	<u>1,869,641</u>
TOTAL FUNDS			
		<u>18,015,678</u>	<u>18,058,239</u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
R F Neilans –Trustee

.....
A J M Maltby -Trustee

The notes form part of these financial statements

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**STATEMENT OF FINANCIAL POSITION
AT 31 MARCH 2019**

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	15	5,477,501	5,972,373
Investments			
Investments	16	7,479,813	7,399,497
Investment property	17	<u>2,417,000</u>	<u>2,417,000</u>
		15,374,314	15,788,870
CURRENT ASSETS			
Debtors	19	1,763,089	1,735,002
Cash at bank and in hand		<u>2,352,258</u>	<u>1,938,366</u>
		4,115,347	3,673,368
CREDITORS			
Amounts falling due within one year	20	<u>(1,086,377)</u>	<u>(1,016,499)</u>
NET CURRENT ASSETS		<u>3,028,970</u>	<u>2,656,869</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		18,403,284	18,445,739
NET ASSETS		<u>18,403,284</u>	<u>18,445,739</u>
FUNDS	22		
Unrestricted Funds:			
Fixed Asset Fund		3,778,919	6,044,545
Development Fund		-	3,289,951
Revenue Reserve		1,847,071	5,650,617
Revaluation Reserve		1,480,962	1,590,985
Investment Reserve		7,167,802	-
Designated Fund – Louth Wellbeing		350,000	-
Designated Fund – Grantham Wellbeing		100,000	-
Designated Fund – Inpatient Unit		1,000,000	-
Designated Fund – Lincoln Wellbeing		<u>500,000</u>	-
		16,224,754	16,576,098
Restricted Funds:			
Restricted Funds – Other Restricted Funds		1,738,454	1,869,641
Restricted Funds – Boston Wellbeing		<u>440,076</u>	-
		<u>2,178,530</u>	<u>1,869,641</u>
TOTAL FUNDS		<u>18,403,284</u>	<u>18,445,739</u>

The financial statements were approved by the Board of Trustees on and were signed on its behalf by:

.....
R F Neilans –Trustee

.....
A J M Maltby -Trustee

The notes form part of these financial statements

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019**

	Notes	2019 £	2018 £
Cash flows from operating activities:			
Cash generated from operations	1	<u>423,649</u>	<u>(185,563)</u>
Net cash provided by (used in) operating activities		<u>423,649</u>	<u>(185,563)</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(149,871)	(260,506)
Purchase of fixed asset investments		(1,623,886)	(815,596)
Sale of tangible fixed assets		-	234
Sale of investments		1,393,346	104,729
Investment income		<u>330,466</u>	<u>303,105</u>
Net cash provided by (used in) investing activities		<u>(49,945)</u>	<u>(668,034)</u>
Change in cash and cash equivalents in the reporting period		373,704	(853,597)
Cash and cash equivalents at the beginning of the reporting period		<u>2,633,562</u>	<u>3,487,159</u>
Cash and cash equivalents at the end of the reporting period		<u><u>3,007,266</u></u>	<u><u>2,633,562</u></u>
Analysis of cash and cash equivalents:			
Bank and cash		2,857,427	2,231,064
Investment income		<u>149,839</u>	<u>402,498</u>
		<u><u>3,007,266</u></u>	<u><u>2,633,562</u></u>

The notes form part of these financial statements

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2019

1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2019	2018
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	(42,561)	48,474
Adjustments for:		
Depreciation charges	644,846	633,217
Losses/(gain) on investments	(102,435)	110,023
Loss on disposal of fixed assets	1,921	13,686
Investment income	(330,466)	(303,105)
(Increase)/decrease in stocks	(29,361)	(34,882)
(Increase)/decrease in debtors	210,867	(873,153)
Increase/(decrease) in creditors	<u>70,838</u>	<u>220,177</u>
Net cash provided by (used in) operating activities	<u><u>423,649</u></u>	<u><u>(185,563)</u></u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable group, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Basis of consolidation

The group financial statements consolidate the financial statements of St Barnabas Hospice Trust (Lincolnshire) and its subsidiaries up to 31 March 2019. The individual results of the St Barnabas Hospice Trust (Lincolnshire) and its subsidiaries are reported in their own respective financial statements. A separate Statement of Financial Activities (SOFA) for the Institution alone is not presented because the charity has taken advantage of the provisions of paragraph 397 of the SORP.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received, and the amount can be measured reliably.

Voluntary income is accounted for when received. Incoming resources represents the amount receivable during the year in respect of donations and legacies.

Legacies are recognised when there is sufficient evidence to provide the necessary certainty that the legacy will be received, and the legacy can be measured with sufficient reliability.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio.

Activities for generating funds, comprising principally fund raising events and trading/lottery income is recorded when receivable.

Activities furthering charitable objects. Income under health authority and NHS Lincolnshire contracts is recognised in the Statement of Financial Activities on a receivable basis.

Where income is received in advance of performance, its recognition is deferred and included in creditors until the contract is performed.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Expenditure is classified under the following activity headings:

- (i) costs of generating funds include those costs incurred in raising voluntary income, fundraising trading / lottery costs and investment management costs.
- (ii) hospice services expenditure relates to expenditure on objects of the charity and include direct costs and support costs associated to these activities.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include back office costs, finance, personnel, payroll and governance costs which support the Trusts activities. These costs have been allocated to charitable activities. The bases on which support costs have been allocated is partly according to the costs directly incurred in those areas and partly on the basis of staff numbers directly employed.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 20% on cost and 2% on cost
Long Leasehold	- 20% on cost and 2% on cost
Shops' improvements and fittings	- 20% on cost
Fixtures and fittings	- 10% on cost
Motor vehicles	- 25% on cost

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and the condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. Depreciation is not charged on freehold land or assets under the course of construction.

Individual fixed assets costing £500 or more are capitalised at cost.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the Statement of Comprehensive Income.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

1. ACCOUNTING POLICIES - continued

Investment property

Investment properties are carried at open market value and no depreciation is provided. The trustees consider that this accounting policy results in the financial statements giving a true and fair view. Unrealised surpluses or deficits arising on revaluation of investment properties are shown in the Statement of Financial Activities.

Taxation

The charity is exempt from corporation tax on its charitable activities.

Fund accounting

Unrestricted funds (revenue reserves) can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The Trust makes payments to two defined contribution pension schemes on behalf of qualifying employees. One administered by the NHS Pensions Agency and a stakeholder scheme providing benefits for the employees additional to those from the state. Such contributions are charged in the Statement of Financial Activities when made. The contributions are invested separately from the Trust's assets.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is determined on a first-in first-out basis, and includes all direct costs incurred. Net realisable value is based on an estimated selling price allowing for all further costs of disposal.

Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the Statement of Financial Position date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Short term deposits represent investments in bank term deposits maturing within one year. Investments in subsidiary companies are stated at cost.

Realised gains and losses

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

1. ACCOUNTING POLICIES - continued

Cash and cash equivalents

Cash and cash equivalents include cash at bank and cash in hand as well as short term highly liquid investments with a short maturity (recognised within short term investments).

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognized at transaction value and subsequently measured at their settlement value.

Volunteer contribution

Honorary officers, trustees and volunteers provide support to St Barnabas Hospice Trust (Lincolnshire). It is not practical nor feasible to place a value on the time volunteered by these persons.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements, the directors have made the following judgements:

(i) Determine whether leases entered into by the group either as a lessor or a lessee are an operating lease or finance lease. These decisions depend on assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Other key sources of estimation uncertainty:

(ii) Tangible fixed assets, other than investment properties, are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

3. DONATIONS AND LEGACIES

	Restricted £	Unrestricted £	2019 £	2018 £
Donations, covenants and tributes	63,875	1,503,857	1,567,732	1,365,230
Legacies and bequests	<u>460,872</u>	<u>1,187,228</u>	<u>1,648,100</u>	<u>1,837,681</u>
	<u>524,747</u>	<u>2,691,085</u>	<u>3,215,832</u>	<u>3,202,911</u>

4. OTHER TRADING ACTIVITIES

	Restricted £	Unrestricted £	2019 £	2018 £
Fund raising events	-	100,433	100,433	194,545
Rent income	-	2,108	2,108	4,221
Other income	-	13,234	13,234	14,767
Trading income	14,482	2,417,116	2,431,598	2,356,048
Lottery income	<u>-</u>	<u>693,832</u>	<u>693,832</u>	<u>706,767</u>
	<u>14,482</u>	<u>3,226,723</u>	<u>3,241,205</u>	<u>3,276,348</u>

All other trading activities income, for both years was attributable to unrestricted funds.

5. INVESTMENT INCOME

	Restricted £	Unrestricted £	2019 £	2018 £
Dividends and other income from investment portfolio	-	267,191	267,191	236,586
Income from property investment	-	54,000	54,000	54,000
Bank interest and similar income	<u>-</u>	<u>9,275</u>	<u>9,275</u>	<u>12,519</u>
	<u>-</u>	<u>330,466</u>	<u>330,466</u>	<u>303,105</u>

All investment income, for both years was attributable to unrestricted funds.

6. INCOME FROM CHARITABLE ACTIVITIES

	Health Authority and NHS Lincolnshire contracts £	Other charges and contributions £	Other grants received £	2019 £	2018 £
Inpatient Units & Acute Hospital Support	2,278,364	9,719	-	2,288,083	2,462,506
Community Care	2,613,629	12,485	-	2,626,114	2,429,954
Supportive Care	<u>270,424</u>	<u>17,214</u>	<u>18,750</u>	<u>306,388</u>	<u>300,841</u>
	<u>5,162,417</u>	<u>39,418</u>	<u>18,750</u>	<u>5,220,585</u>	<u>5,193,301</u>

In 2019, of the income from charitable activities, £58,168 (2018 - £31,220) was attributable to restricted funds.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

7. RAISING FUNDS

	2019	2018
	£	£
Costs of raising funds:		
Direct staff costs	521,290	500,524
Direct other costs	295,244	361,729
Allocated support costs	<u>311,388</u>	<u>323,346</u>
	1,127,922	1,185,599
Fundraising trading:		
Direct staff costs	1,342,951	1,249,894
Direct other costs including cost of goods sold and lottery prizes	<u>1,180,720</u>	<u>1,214,199</u>
	2,523,671	2,464,093
Investment management costs	<u>18,432</u>	<u>16,924</u>
	<u>3,670,025</u>	<u>3,666,616</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct costs	Support costs (See note 9)	Totals
	£	£	£
Inpatient & Acute Hospital Support	3,294,366	257,948	3,552,314
Community Care	3,410,713	632,522	4,043,235
Supportive Care	<u>726,638</u>	<u>160,872</u>	<u>887,510</u>
	<u>7,431,717</u>	<u>1,051,342</u>	<u>8,483,059</u>

Allocated support costs of £1,051,342 (2018 - £1,010,206) include restricted funds costs of £288,508 (2018 - £379,728).

In 2019, the expenditure on charitable activities was £8,483,059 (2018 - £8,150,552), of which £288,508 (2018 - £379,728) was attributable to restricted funds.

9. SUPPORT COSTS

	2019	2018
	£	£
Administrative salaries	725,099	673,013
Professional fees	9,115	22,234
Establishment costs	525,555	541,188
Depreciation and loss on sale	<u>102,961</u>	<u>97,117</u>
	<u>1,362,730</u>	<u>1,333,552</u>
Allocation of support costs:		
Raising funds	311,388	323,346
Charitable activities	<u>1,051,342</u>	<u>1,010,206</u>
	<u>1,362,730</u>	<u>1,333,552</u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2019	2018
	£	£
Depreciation - owned assets	644,846	633,217
Deficit on disposal of fixed asset	<u>1,921</u>	<u>13,686</u>

11. AUDITORS' REMUNERATION

	2019	2018
	£	£
Fees payable to the charity's auditors for other services:		
The auditing of accounts of any associate of the charity	15,120	27,609
Internal audit services	<u>-</u>	<u>300</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2019 nor for the year ended 31 March 2018.

Trustees' expenses

	2019	2018
	£	£
Trustees' expenses	<u>260</u>	<u>55</u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

13. STAFF COSTS

	2019	2018
	£	£
Wages and salaries	7,383,383	7,082,270
Social security costs	479,729	460,003
Other pension costs	<u>519,629</u>	<u>471,945</u>
	<u>8,382,741</u>	<u>8,014,218</u>

The average monthly number of employees during the year was as follows:

	2019	2018
Nursing and care services	144	142
Fund raising and publicity	94	91
Administration	17	18
Management	6	6
Support services	<u>28</u>	<u>27</u>
	<u>289</u>	<u>284</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2019	2018
£60,001 - £70,000	1	1
£80,001 - £90,000	<u>1</u>	<u>1</u>
	<u>2</u>	<u>1</u>

Retirement benefits were accruing under the NHS defined benefit pension scheme to the members of staff in question in both years.

The Trust considers its key management personnel comprise the chief executive and the senior management team. The total employment benefits including employer pension contributions of the 4 (2018 - 5) key management personnel were £331,582 (2018 - £326,166).

The Trust had just over 1,000 (968: 2017-2018) volunteers working for it during 2018-19. The amount of hours worked by them ranges from those who give a few hours of time for special tasks and events right up to volunteers who cover daily duties. They work across all areas of the Trust.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

14. COMPARATIVES FOR THE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3,098,959	103,952	3,202,911
Charitable activities			
Health authority and NHS Lincolnshire contracts	5,162,081	-	5,162,081
Other charges and contributions	-	31,220	31,220
Other grants received	-	-	-
Other trading activities	3,276,348	-	3,276,348
Investment income	303,105	-	303,105
	<hr/>	<hr/>	<hr/>
Total	11,840,493	135,172	11,975,665
EXPENDITURE ON			
Raising funds	3,666,616	-	3,666,616
Charitable activities			
Inpatient & Acute Hospital Support	3,009,867	379,728	3,389,595
Community Care	3,895,085	-	3,895,085
Supportive Care	865,872	-	865,872
	<hr/>	<hr/>	<hr/>
Total	11,437,440	379,728	11,817,168
Net gains/(losses) on investments	<hr/> (110,023)	<hr/> -	<hr/> (110,023)
NET INCOME/(EXPENDITURE)	293,030	(244,556)	48,474
RECONCILIATION OF FUNDS			
Total funds brought forward	15,895,568	2,114,197	18,009,765
	<hr/>	<hr/>	<hr/>
TOTAL FUNDS CARRIED FORWARD	<u>16,188,598</u>	<u>1,869,641</u>	<u>18,058,239</u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

15. TANGIBLE FIXED ASSETS - GROUP

	Freehold property £	Long leasehold £	Shops' improvements and fittings £	
COST				
At 1 April 2018	5,898,966	1,818,923	862,041	
Additions	6,886	7,900	31,856	
Disposals	-	-	(72,207)	
Transfer to ownership	-	1,210	-	
At 31 March 2019	<u>5,905,852</u>	<u>1,828,033</u>	<u>821,690</u>	
DEPRECIATION				
At 1 April 2018	1,821,591	873,761	611,459	
Charge for year	157,230	205,420	77,437	
Eliminated on disposal	-	-	(70,286)	
At 31 March 2019	<u>1,978,821</u>	<u>1,079,181</u>	<u>618,610</u>	
NET BOOK VALUE				
At 31 March 2019	<u>3,927,031</u>	<u>748,852</u>	<u>203,080</u>	
At 31 March 2018	<u>4,077,375</u>	<u>945,162</u>	<u>250,582</u>	
	Fixtures and fittings £	Motor vehicles £	Assets in progress of construction £	Totals £
COST				
At 1 April 2018	1,545,161	32,598	5,715	10,163,404
Additions	61,461	-	41,768	149,871
Disposals	-	-	-	(72,207)
Transfer to ownership	-	-	(1,210)	-
At 31 March 2019	<u>1,606,622</u>	<u>-</u>	<u>46,273</u>	<u>10,241,068</u>
DEPRECIATION				
At 1 April 2018	828,426	32,598	-	4,167,835
Charge for year	204,759	-	-	644,846
Eliminated on disposal	-	-	-	(70,286)
At 31 March 2019	<u>1,033,185</u>	<u>32,598</u>	<u>-</u>	<u>4,742,395</u>
NET BOOK VALUE				
At 31 March 2019	<u>573,437</u>	<u>-</u>	<u>46,273</u>	<u>5,498,673</u>
At 31 March 2018	<u>716,735</u>	<u>-</u>	<u>5,715</u>	<u>5,995,569</u>

The net book value of freehold land and buildings includes £1,698,582 (2018 - £1,869,640) in respect of restricted fund assets (note 22).

Capital commitments at 31 March 2019 amounted to £nil (2018 - £nil).

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

15. TANGIBLE FIXED ASSETS - CHARITY

	Freehold property £	Long leasehold £	Shops' improvements and fittings £
COST			
At 1 April 2018	5,855,710	1,827,402	862,041
Additions	6,886	7,900	31,856
Disposals	-	-	(72,207)
Transfer to ownership	-	1,210	-
At 31 March 2019	<u>5,862,596</u>	<u>1,836,512</u>	<u>821,690</u>
DEPRECIATION			
At 1 April 2018	1,821,591	857,888	611,459
Charge for year	157,230	205,420	77,437
Eliminated on disposal	-	-	(70,286)
At 31 March 2019	<u>1,978,821</u>	<u>1,063,308</u>	<u>618,610</u>
NET BOOK VALUE			
At 31 March 2019	<u>3,883,775</u>	<u>773,204</u>	<u>203,080</u>
At 31 March 2018	<u>4,034,119</u>	<u>959,514</u>	<u>250,582</u>

	Fixtures and fittings £	Motor vehicles £	Assets in progress of construction £	Totals £
COST				
At 1 April 2017	1,510,492	28,917	5,715	10,090,277
Additions	61,461	-	41,768	149,871
Disposals	-	-	-	(72,207)
Transfer to ownership	-	-	(1,210)	-
At 31 March 2018	<u>1,571,953</u>	<u>28,917</u>	<u>46,273</u>	<u>10,167,941</u>
DEPRECIATION				
At 1 April 2017	798,049	28,917	-	4,117,904
Charge for year	202,735	-	-	642,822
Eliminated on disposal	-	-	-	(70,286)
At 31 March 2018	<u>1,000,784</u>	<u>28,917</u>	<u>-</u>	<u>4,690,440</u>
NET BOOK VALUE				
At 31 March 2018	<u>571,169</u>	<u>-</u>	<u>46,273</u>	<u>5,477,501</u>
At 31 March 2017	<u>712,443</u>	<u>-</u>	<u>5,715</u>	<u>5,972,373</u>

The net book value of freehold land and buildings includes £1,698,582 (2018 - £1,869,640) in respect of restricted fund assets (note 22).

Capital commitments at 31 March 2019 amounted to £nil (2018 - £nil).

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

16. FIXED ASSET INVESTMENTS – GROUP

	Listed investment £	Cash held as part of the investment portfolio £	Total £
MARKET VALUE			
At 1 April 2018	6,996,995	402,498	7,399,493
Additions	1,623,866	1,403,292	3,027,158
Disposals	(1,212,468)	(1,655,951)	(2,868,419)
Revaluations	<u>(78,423)</u>	<u>-</u>	<u>(78,423)</u>
At 31 March 2019	<u>7,329,970</u>	<u>149,839</u>	<u>7,479,809</u>
NET BOOK VALUE			
At 31 March 2019	<u>7,329,970</u>	<u>149,839</u>	<u>7,479,809</u>
At 31 March 2018	<u>6,996,995</u>	<u>402,498</u>	<u>7,399,493</u>
There were no investment assets outside the UK.			
		2019 £	2018 £
Cost of listed investments at 31 March 2019		<u>6,231,764</u>	<u>5,788,166</u>

The listed investments are quoted on a recognised investment exchange. The portfolio of investments includes a range of fixed interest and equity holdings.

All investments are carried at their fair value. Investment in equities and fixed interest securities are all traded in quoted public markets. Holdings in common investment funds, unit trusts and open-ended investment companies are at the bid price. The basis of fair value for quoted investments is equivalent to the market value, using the bid price. Asset sales and purchases are recognised at the date of trade at cost (that is their transaction value).

The significance of financial instruments to the ongoing financial sustainability of the Hospice is considered in the financial review and investment policy and performance sections of the Trustees' Annual Report. The main risk to the Hospice from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so their ability to buy and sell quoted equities and stock is anticipated to continue. The Hospice's investments are mainly traded in markets with good liquidity and high trading volumes.

The Hospice has no material investment holdings in markets subject to exchange controls or trading restrictions. The Hospice does not make use of derivatives and similar complex financial instruments as it takes the view that investments are held for their longer term yield total return and historic studies of quoted financial instruments have shown that volatility in any particular 5 year period will normally be corrected.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

16. FIXED ASSET INVESTMENTS – continued

CHARITY	Shares in group undertakings £	Listed investments £	Cash held as part of the investment portfolio £	Totals £
MARKET VALUE				
At 1 April 2018	4	6,996,995	402,498	7,399,497
Additions	-	1,623,866	1,403,292	3,027,158
Disposals	-	(1,212,468)	(1,655,951)	(2,868,419)
Revaluations	-	(78,423)	-	(78,423)
	<u>4</u>	<u>7,329,970</u>	<u>149,839</u>	<u>7,479,813</u>
At 31 March 2019	<u>4</u>	<u>7,329,970</u>	<u>149,839</u>	<u>7,479,813</u>
	<u>4</u>	<u>6,996,995</u>	<u>402,498</u>	<u>7,399,497</u>
At 31 March 2018	<u>4</u>	<u>6,996,995</u>	<u>402,498</u>	<u>7,399,497</u>

The company's investments at the Statement of Financial Position date in the share capital of companies include the following:

St Barnabas Shops Limited

Registered office: 12 Cardinal Close, Lincoln, LN2 4SY

Nature of business: Charity shop

Class of share:	%	2019	2018
	holding	£	£
Ordinary	100		
Aggregate capital and reserves		<u>6,477</u>	<u>6,583</u>

This company donates substantially all profits to the St Barnabas Hospice Trust (Lincolnshire) under the Gift Aid scheme.

St Barnabas Promotions Limited

Registered office: 12 Cardinal Close, Lincoln, LN2 4SY

Nature of business: Lottery

Class of share:	%	2019	2018
	holding	£	£
Ordinary	100		
Aggregate capital and reserves		<u>4,017</u>	<u>4,016</u>

This company donates substantially all profits to the St Barnabas Hospice Trust (Lincolnshire) under the Gift Aid scheme.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

17. INVESTMENT PROPERTY - GROUP

	£
MARKET VALUE	
At 1 April 2018 and 31 March 2019	<u>2,000,000</u>
NET BOOK VALUE	
At 31 March 2019	<u>2,000,000</u>
At 31 March 2018	<u>2,000,000</u>

17. INVESTMENT PROPERTY - CHARITY

	£
MARKET VALUE	
At 1 April 2018 and 31 March 2019	<u>2,417,000</u>
NET BOOK VALUE	
At 31 March 2019	<u>2,417,000</u>
At 31 March 2018	<u>2,417,000</u>

Investment properties are stated at open market values as at March 2017 as prepared by Banks, Long & Co. The surveyor who valued the portfolio is a member of the Royal Institute of Chartered Surveyors. If the land and buildings had not been revalued, they would have been stated at their cost of £2,037,951 (2018-£2,037,951) for the charity. All of this property is owned by the registered charity and therefore has no liability to corporation tax on income and capital that is applied for charitable purposes. The trustees consider there have been changes in the open market value of investment properties during the year.

18. STOCKS

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Goods purchased for resale	<u>130,486</u>	<u>101,125</u>	—	—
	<u>130,486</u>	<u>101,125</u>	—	—

Stock is recognised as an expense to the group during the period was £29,361 (2018 - £34,882).

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Amounts owed by group undertakings	-	-	504,781	370,927
Other debtors	155,565	496,410	151,390	451,735
Income tax recoverable	20,830	8,386	20,830	8,386
Prepayments and accrued income	<u>1,164,667</u>	<u>1,047,133</u>	<u>1,086,088</u>	<u>903,954</u>
	<u>1,341,062</u>	<u>1,551,929</u>	<u>1,763,089</u>	<u>1,735,002</u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Trade creditors	389,245	887,730	318,397	791,254
Social security and other taxes	2,331	(168,360)	(11,703)	(101,588)
Other creditors	69,516	13,644	68,771	13,364
Accruals	388,579	283,328	350,930	190,054
Deferred income	<u>442,108</u>	<u>204,599</u>	<u>359,982</u>	<u>123,415</u>
	<u>1,291,779</u>	<u>1,220,941</u>	<u>1,086,377</u>	<u>1,016,499</u>

Deferred Income

	Group 2019 £	Group 2018 £	Charity 2019 £	Charity 2018 £
Balance at 1 April 2018	204,599	171,530	123,415	432,816
Released in the year	(204,599)	(171,530)	(123,415)	(432,816)
Deferred in the year	<u>442,108</u>	<u>204,599</u>	<u>359,982</u>	<u>123,415</u>
Balance at 31 March 2019	<u>442,108</u>	<u>204,599</u>	<u>359,982</u>	<u>123,415</u>

Deferred income relates to funding that has been received in advance for future periods and lottery income received for future draws.

21. LEASING AGREEMENTS - GROUP

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Within one year	358,879	369,406
Between one and five years	589,636	801,628
In more than five years	<u>2,500</u>	<u>2,500</u>
	<u>951,015</u>	<u>1,173,534</u>

LEASING AGREEMENTS - CHARITY

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2019 £	2018 £
Within one year	337,911	351,145
Between one and five years	589,636	801,628
In more than five years	<u>2,500</u>	<u>2,500</u>
	<u>930,047</u>	<u>1,155,273</u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS - GROUP

	Unrestricted funds £	Restricted fund £	2019 Total funds £	2018 Total funds £
Fixed assets	3,800,091	1,698,582	5,498,673	5,995,569
Investments	9,479,809	-	9,479,809	9,399,493
Current assets	3,849,027	479,948	4,328,975	3,884,118
Current liabilities	<u>(1,291,779)</u>	<u>-</u>	<u>(1,291,779)</u>	<u>(1,220,941)</u>
	<u>15,837,148</u>	<u>2,178,530</u>	<u>18,015,678</u>	<u>18,058,239</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS – CHARITY

	Unrestricted funds £	Restricted fund £	2019 Total funds £	2018 Total funds £
Fixed assets	3,778,919	1,698,582	5,477,501	5,972,373
Investments	9,896,813	-	9,896,813	9,816,497
Current assets	3,635,399	479,948	4,115,347	3,673,368
Current liabilities	<u>(1,086,377)</u>	<u>-</u>	<u>(1,086,377)</u>	<u>(1,016,499)</u>
	<u>16,224,754</u>	<u>2,178,530</u>	<u>18,403,284</u>	<u>18,445,739</u>

22. MOVEMENT IN FUNDS – GROUP

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted Funds				
Fixed Asset Fund	6,073,193	(323,813)	(1,949,289)	3,800,091
Development Fund	3,289,951	-	(3,289,951)	-
Revenue Reserve	5,413,517	(130,072)	(3,428,152)	1,855,293
Revaluation Reserve	1,411,937	102,435	(212,458)	1,301,914
Investment Reserve	-	-	6,929,850	6,929,850
Designated Fund – Louth Wellbeing	-	-	350,000	350,000
Designated Fund – Grantham Wellbeing	-	-	100,000	100,000
Designated Fund – Inpatient Unit	-	-	1,000,000	1,000,000
Designated Fund – Lincoln Wellbeing	-	-	500,000	500,000
	<u>16,188,598</u>	<u>(351,450)</u>	<u>-</u>	<u>15,837,148</u>
Restricted Funds				
Restricted Fund – Other Restricted Funds	1,869,641	(131,187)	-	1,738,454
Restricted Fund – Boston Wellbeing	<u>-</u>	<u>440,076</u>	<u>-</u>	<u>440,076</u>
	<u>1,869,641</u>	<u>308,889</u>	<u>-</u>	<u>2,178,530</u>
TOTAL FUNDS	<u>18,058,239</u>	<u>(42,561)</u>	<u>-</u>	<u>18,015,678</u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

22. MOVEMENT IN FUNDS – continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted Funds				
Revenue Reserve	11,410,691	(11,540,763)	-	(130,072)
Fixed Asset Fund		(323,813)		(323,813)
Revaluation Reserve	-	-	102,435	102,435
	11,410,691	(11,864,576)	102,435	(351,450)
Restricted Funds				
Restricted Fund – Other Restricted Funds	157,321	(288,508)	-	(131,187)
Restricted Fund – Boston Wellbeing	440,076	-	-	440,076
	597,397	(288,508)	-	308,889
TOTAL FUNDS	<u>12,008,088</u>	<u>(12,153,084)</u>	<u>102,435</u>	<u>(42,561)</u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.18 £
Unrestricted Funds				
Fixed Asset Fund	6,073,193	-	-	6,073,193
Development Fund	3,289,951	-	-	3,289,951
Revenue Reserve	5,010,464	403,053	-	5,413,517
Revaluation Reserve	1,521,960	(110,023)	-	1,411,937
	15,895,568	293,030	-	16,188,598
Restricted Funds				
Restricted Fund – Other Restricted Funds	2,114,197	(244,556)	-	1,869,641
TOTAL FUNDS	<u>18,009,768</u>	<u>48,474</u>	<u>-</u>	<u>18,058,239</u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

22. MOVEMENT IN FUNDS – continued

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted Funds				
Fixed Asset Fund	6,073,193	(323,813)	(1,949,289)	3,800,091
Development Fund	3,289,951	-	(3,289,951)	-
Revenue Reserve	5,010,464	272,981	(3,428,152)	1,855,293
Revaluation Reserve	1,521,960	(7,588)	(212,458)	1,301,914
Investment Reserve	-	-	6,929,850	6,929,850
Designated Fund – Louth Wellbeing	-	-	350,000	350,000
Designated Fund – Grantham Wellbeing	-	-	100,000	100,000
Designated Fund – Inpatient Unit	-	-	1,000,000	1,000,000
Designated Fund – Lincoln Wellbeing	-	-	500,000	500,000
Restricted Funds				
Restricted Fund – Other Restricted Funds	2,114,197	(375,743)	-	1,738,454
Restricted Fund – Boston Wellbeing	-	440,076	-	440,076
	2,114,197	64,333	-	2,178,530
TOTAL FUNDS	18,009,765	5,913	-	18,015,678

22. MOVEMENT IN FUNDS - CHARITY

	At 1.4.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted Funds				
Fixed Asset Fund	6,044,545	(323,813)	(1,941,813)	3,778,919
Development Fund	3,289,951	-	(3,289,951)	-
Revenue Reserve	5,650,617	(129,966)	(3,673,580)	1,847,071
Revaluation Reserve	1,590,985	102,435	(212,458)	1,480,962
Investment Reserve	-	-	7,167,802	7,167,802
Designated Fund – Louth Wellbeing	-	-	350,000	350,000
Designated Fund – Grantham Wellbeing	-	-	100,000	100,000
Designated Fund – Inpatient Unit	-	-	1,000,000	1,000,000
Designated Fund – Lincoln Wellbeing	-	-	500,000	500,000
	16,576,098	(351,344)	-	16,224,754
Restricted Funds				
Restricted Fund – Other Restricted Funds	1,869,641	(131,187)	-	1,738,454
Restricted Fund – Boston Wellbeing	-	440,076	-	440,076
	1,869,641	308,889	-	2,178,530
TOTAL FUNDS	18,445,739	(42,455)	-	18,403,284

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019

22. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted Funds				
Revenue Reserve	9,367,375	(9,497,341)	-	(129,966)
Fixed Asset Fund	-	(323,813)	-	(323,813)
Revaluation Reserve	-	-	102,435	102,435
	<u>9,367,375</u>	<u>(9,821,154)</u>	<u>102,435</u>	<u>(351,344)</u>
Restricted Funds				
Restricted Fund – Other Restricted Funds	157,321	(288,508)	-	(131,187)
Restricted Fund – Boston Wellbeing	<u>440,076</u>	<u>-</u>	<u>-</u>	<u>440,076</u>
	<u>597,397</u>	<u>(288,508)</u>	<u>-</u>	<u>308,889</u>
TOTAL FUNDS	<u><u>9,964,772</u></u>	<u><u>(10,109,662)</u></u>	<u><u>102,435</u></u>	<u><u>(42,455)</u></u>

Comparatives for movement in funds

	At 1.4.17 £	Net movement in funds £	At 31.3.18 £
Unrestricted Funds			
Fixed Asset Fund	6,044,545	-	6,044,545
Development Fund	3,289,951	-	3,289,951
Revenue Reserve	5,251,841	398,776	5,650,617
Revaluation Reserve	<u>1,701,008</u>	<u>(110,023)</u>	<u>1,590,985</u>
	<u>16,287,345</u>	<u>288,753</u>	<u>16,576,098</u>
Restricted Funds			
Restricted Fund – Other Restricted Funds	<u>2,114,197</u>	<u>(244,556)</u>	<u>1,869,641</u>
TOTAL FUNDS	<u><u>18,401,542</u></u>	<u><u>44,197</u></u>	<u><u>18,445,739</u></u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2019**

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted Funds				
Revenue Reserve	9,785,991	(9,387,215)	-	398,776
Revaluation Reserve	-	-	(110,023)	(110,023)
	9,785,991	(9,387,215)	(110,023)	288,753
Restricted Funds				
Restricted Fund – Other Restricted Funds	135,172	(379,728)	-	(244,556)
TOTAL FUNDS	<u>9,921,163</u>	<u>(9,766,943)</u>	<u>(110,023)</u>	<u>44,197</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.17 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted Funds				
Fixed Asset Fund	6,044,545	(323,813)	(1,941,813)	3,778,919
Development Fund	3,289,951	-	(3,289,951)	-
Revenue Reserve	5,251,841	268,810	(3,673,580)	1,847,071
Revaluation Reserve	1,701,008	(7,588)	(212,458)	1,480,962
Investment Reserve	-	-	7,167,802	7,167,802
Designated Fund – Louth Wellbeing	-	-	350,000	350,000
Designated Fund – Grantham Wellbeing	-	-	100,000	100,000
Designated Fund – Inpatient Unit	-	-	1,000,000	1,000,000
Designated Fund – Lincoln Wellbeing	-	-	500,000	500,000
Restricted Funds				
Restricted Fund – Other Restricted Funds	2,114,197	(375,743)	-	1,738,454
Restricted Fund – Other Restricted Funds	-	440,076	-	440,076
	2,114,197	64,333	-	2,178,530
TOTAL FUNDS	<u>18,401,542</u>	<u>1,742</u>	<u>-</u>	<u>18,403,284</u>

The Trustees of St Barnabas Hospice Trust (Lincolnshire) are committed to supporting the development of a comprehensive network of local palliative and end of life services throughout Lincolnshire so that they are provided close to patient's homes.

It is our ambition that these services will be enhanced and facilitated by the on-going development of our innovative, dependable and effective Specialist Palliative Medicine teams who together will provide tertiary support to clinical teams across our whole health and social care community.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

DETAILED STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2019

22. MOVEMENT IN FUNDS - continued

In line with the strategic plan, the trustees have reviewed the designation of funds. During the course of the next three years, the Trust intends to commence a programme of property development projects to upgrade the quality of its estate across the county to improve the patient experience. The estate development will be funded by utilising a combination of funds currently held Trust investments and launching a public capital appeal. The Trust has set aside a specific Designated Fund for this purpose.

The trustees recognise that dividend and interest income earned from the Trust investment portfolio provides an invaluable source of ongoing income and have set aside an Investment Income Reserve to maintain this income flow for future years.

The Trust will continue to maintain a policy of holding a reserve of six months running costs and as previously agreed, surplus funds will be invested in the development fund to continue to support local service provision and the establishment of the Estate.

The fixed assets of the charity have been separated out into a Fixed Asset Fund totalling £3.779 million (2018 - £6.04 million) which includes the land purchased for the Estate.

Unrealised gains on fixed asset investments included in unrestricted funds are as follows:

	2019 £	2018 £
Unrealised gains at 1 April 2018	1,211,937	1,321,960
Amounts realised through investment disposal in year	210,643	9,082
Net gain / (loss) arising on revaluation in year	(108,208)	(119,105)
	<u>(212,458)</u>	<u>-</u>
Unrealised gains at 31 March 2019	<u>1,101,914</u>	<u>1,211,937</u>

The revaluation reserve in the Charity Statement of Financial Position also includes the gain on investment properties of £379,048 (2018 - £379,048), resulting in the revaluation reserve totalling £1,480,962 (2018 - £1,590,085).

23. RELATED PARTY DISCLOSURES

Indemnity insurance has been purchased on behalf of the Trustees at a cost of £702 (2018 - £1,040) for the year.

During the year the charitable group made purchases from J.W.Ruddock & Sons Ltd, a company in which Mr P Banton, Trustee, is a director. The total purchases made during the year were £31,245 (2018 - £57,007) and at the year end an amount of £892 (2018 - £13,349) was outstanding.

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019**

	2019 £	2018 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations, covenants and tributes	1,503,857	1,261,278
Legacies and bequests	1,187,228	1,837,681
Restricted income	<u>524,747</u>	<u>103,952</u>
	<u>3,215,832</u>	<u>3,202,911</u>
Other trading activities		
Fundraising events	100,433	194,545
Trading income	2,431,598	2,356,048
Sundry income	13,234	14,767
Rent income	2,108	4,221
Lottery income	<u>693,832</u>	<u>706,767</u>
	<u>3,241,205</u>	<u>3,276,348</u>
Investment income		
Car park investment income	54,000	54,000
Dividends and other income from investment portfolio	267,191	236,586
Bank interest and similar income	<u>9,275</u>	<u>12,519</u>
	<u>330,466</u>	<u>303,105</u>
Charitable activities		
Inpatient Units & Acute Hospital Support	2,288,083	2,462,506
Community Care	2,626,114	2,429,954
Supportive Care	306,388	300,841
Property grants	<u>-</u>	<u>-</u>
	<u>5,220,585</u>	<u>5,193,301</u>
Total incoming resources	<u>12,008,088</u>	<u>11,975,665</u>

ST BARNABAS HOSPICE TRUST (LINCOLNSHIRE)

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 MARCH 2019**

EXPENDITURE

	2019	2018
	£	£
Raising donations and legacies		
Wages	521,290	500,524
Direct other costs	295,244	361,729
Allocated support costs	<u>311,388</u>	<u>323,346</u>
	<u>1,127,922</u>	<u>1,185,599</u>
Other trading activities		
Direct staff costs	1,342,951	1,249,894
Direct other costs including cost of goods sold and lottery prizes	<u>1,180,720</u>	<u>1,214,199</u>
	<u>2,523,671</u>	<u>2,464,093</u>
Investment management costs		
Portfolio management	<u>18,432</u>	<u>16,924</u>
Charitable activities		
Wages	5,661,902	5,446,764
Social security	407,092	388,395
Pensions	449,506	428,641
Overheads	268,474	235,095
Freehold property	157,230	143,504
Long leasehold	205,420	205,419
Shops' improvements and fittings	77,437	76,229
Fixtures and fittings	202,735	202,613
Loss on sale of tangible fixed assets	<u>1,921</u>	<u>13,686</u>
	<u>7,431,717</u>	<u>7,140,346</u>
Support costs		
Human resources		
Trustees' expenses	<u>260</u>	<u>55</u>
Other		
Support costs - Inpatient	247,938	209,650
Support costs - Community Care	632,522	620,670
Support costs - Supportive	<u>160,872</u>	<u>162,602</u>
	<u>1,041,332</u>	<u>992,922</u>
Governance costs		
Auditors' remuneration for non audit work	<u>9,750</u>	<u>17,229</u>
Total resources expended	<u>12,153,084</u>	<u>11,817,168</u>
Net income before gains and losses	(144,996)	158,497
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>102,435</u>	<u>(110,023)</u>
Net income	<u>(42,561)</u>	<u>48,874</u>