



Company number: 2805007
Charity number: 1022119

Havens Christian Hospice Report & Financial Statements

31 March 2016

Havens Christian Hospice is registered in England and Wales as a company limited by guarantee
Registered address: Stuart House, 47 Second Avenue, Westcliff-on-Sea, Essex SS0 8HX
Company Number 2805007 VAT Registration Number 194 8870 48

Incorporating Fair Havens Hospice and Little Havens Hospice
Registered Charity Number 1022119



give with
confidence



**EVERY ONE OF US
MAKING EVERY
DAY COUNT**

Havens Christian Hospice

Reference and administrative details

For the year ended 31 March 2016

Status	The organisation is a charitable company limited by guarantee, incorporated on 30 March 1993 and registered as a charity on 2 June 1993.	
Company number	2805007	
Charity number	1022119	
Registered office and operational address	Stuart House 47 Second Avenue Westcliff-on-Sea Essex SS0 8HX	
Other trading names	Havens Hospices, Fair Havens, Little Havens, The Heath Centre, Leaves of Life	
Trustees	The trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:	
	Mr J Bobin	a. Resigned May 2016
	Mr R DeCristofano	
	Mr D Forster JP	Chairman
	Mr B Gillard	
	Ms R Morris	a.
	Mr A Paynter	a. b. Retired November 2015
	Revd C Pegler	Appointed November 2015
	Mr R Player	Vice chairman
	Mr R Ramm MBE JP AAIA	a. Honorary treasurer
	Mr D Rensch MBE DL	b.
	Mr B Terry	
	Dr J Thorp	
	a.	Also a Director of Havens Hospices Trading Company Ltd during the year
	b.	Also a Director of Havens Development Company Ltd during the year
Honorary president	Sir T Taylor MA	Retired November 2015
Secretary	Mr A Smith MA	
Key management personnel	Mr A Smith MA	Chief executive officer
	Mrs J Bliss ACA, BA (Hons)	Director of finance
	Ms W Dodds RGN, DMS, BSc (Hons)	Director of care and executive nurse Retired August 2015
	Ms H Forster, RGN, Dip HE, RM, BSc (Hons), LLM	Director of care and executive nurse Appointed July 2015
	Mr T Johnson	Director of trading and human resources
	Ms V Longley BA (Hons), CAM (Dip)	Director of fundraising and marketing
	Mr P Marriner FCCA	Director of facilities, ICT and new Fair Havens Retired December 2015
	Mr S Smith BA (Hons), MAPM	Director of facilities and new Fair Havens Appointed October 2015

Havens Christian Hospice

Reference and administrative details

For the year ended 31 March 2016

Principal bankers	National Westminster Bank plc South Essex Commercial Office 3rd Floor Phoenix Place Christopher Martin Road Basildon Essex SS14 3GQ
Investment managers	Investec Wealth and Investment Limited 2 Gresham Street London EC2V 7QN
Principal solicitors	Todmans SRE Barringtons Hockley Road Rayleigh Essex SS6 8EH
Auditors	Sayer Vincent LLP Chartered Accountants and Statutory Auditors Invicta House 108-114 Golden Lane London EC1Y 0TL

VISION STATEMENT

"Inspired by God's love and compassion, our Vision is a time when the care we provide is available whenever and wherever it is needed."

MISSION STATEMENT

"Our Mission is to ensure everyone affected by a life-limiting disease and those who are important to them receive the hospice care they need to make every day count."

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

The trustees present their report and the audited financial statements for the year ended 31 March 2016.

The financial statements comply with the current statutory requirements, the charity's Articles of Association and the Statement of Recommended Practice - Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with financial reporting standard FRS 102. The reference and administrative information set out on pages 2 and 3 forms part of this report.

Objectives and core charitable activities

Purposes and aims

The trustees regularly review the aims, objectives and activities of the charity. As set out in the charity's governing documents, the object of the organisation is to provide care and support to people of all ages who have a chronic, life limiting or terminal condition, or are suffering from any disability or disease, and to support their families, relatives and loved ones. In pursuing this object, the trustees may also carry out such charitable purposes as, in their absolute discretion, they determine to be appropriate.

The organisation fulfils its object by means of the services it provides through Fair Havens and Little Havens hospices, across a range of in-patient and community based services. Fair Havens provides care to the local adult populations in Southend, Shoeburyness, Castle Point & Rochford, Canvey Island and Rayleigh. Little Havens provides care and support to children and their families in South and Mid Essex. Through the provision of this care, the organisation aims to demonstrate something of God's love and compassion to people at their time of greatest need. Such care is provided, free of charge, to people of any faith and equally to those who profess no faith. Further details of the care delivered by the charity are set out in pages 5 and 6 of this report.

The trustees' Vision and Mission Statements are set out on page 3. In addition, the trustees have adopted the following Strategic Values:

The care we provide
However young or old you are, whatever your background or nationality and regardless of the faith (if any) you profess, if you are living with a life-limiting condition, or approaching the end of your life, we will help care for you.
Our care is unique to you and your needs: it is centred on your physical, emotional, psychological, social and spiritual health and wellbeing, and includes the people who are important to you.
Wherever possible, we will care for you in the place you want to be looked after and, when the time comes, where you want to die; and we will continue to support the people who are important to you, as they go through bereavement.
Our care, wherever you receive it, will not cost you a penny.

How we provide our care
Our care follows best practice and we actively contribute to the growing knowledge and to new, innovative approaches in hospice care, in response to the needs of today's ever-changing society.
We are proactive in identifying specific aspects of our care that we should develop, expand or enhance.
We are the local champions of hospice care and actively work with other local, regional and national services to help ensure children, young people, adults and the elderly receive the care and support they require.

How our care is made possible
Our care is made possible by the tremendous generosity and good will of thousands of people in our local community and beyond.
Every member of staff and every volunteer plays a vital role in making the care we provide possible and we ensure they are fully confident and competent to fulfil their roles.
We recognise that the resources we receive are given to us in trust for the care of others and that we must manage them to best effect to fund our services, safeguard their sustainability and provide investment for their future development.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

This report looks at what the charity has achieved and the outcomes of its work during the year under review, looking in particular at the success of each key activity and the benefits that the charity has brought to those groups of people that the hospices exist to serve. This review also helps the trustees to ensure that the charity's aims, objectives and activities remain focused on its core purposes.

The trustees have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives, and in planning the hospices' future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set, and to meeting the core charitable object enshrined in the organisation's governing documents.

As a result of their review, the trustees are confident that the activities carried out by the charity in the year under review have been undertaken for the public benefit of all persons served by the hospices, in delivering a wide range of services to those in need.

Use of volunteers

Of the organisation's 850 volunteers, 437 work in its 23 charity shops and trading warehouse (see section on related parties on page 18), with a typical shop having two members of paid staff and, depending on size, an average pool of some 18 volunteers. Volunteers support paid staff in all areas of the organisation, including care areas, reception, kitchens, gardens, fundraising, administration and finance. The trustees pay tribute to their invaluable contribution, carrying out essential tasks to enable the organisation to function in an effective and professional way. The number of volunteers disclosed here includes the trustees, some of whom are also directors of the charity's subsidiary companies (see page 2).

The charity estimates that, in the year to March 2016, its volunteers gave some 163,000 hours of time, which - using the valuation method advised by the National Council for Voluntary Organisations - contributed an economic saving to the charity of around £2,260,000.

The trustees were delighted that the charity was awarded Investors in Volunteers (IiV) accreditation in April 2015, having received very positive feedback from the IiV inspectors involved in the accreditation process. This is an award given only to organisations which can demonstrate that they place volunteers at the heart of what they do, treating them as equals to paid staff and ensuring they are truly valued.

Strategic report

Services provided

Every year, hospices across the UK provide expert care and support to around 360,000 people, including 120,000 adults and children with life-limiting or terminal conditions, as well as their friends and families. Hospices care for people with a wide range of conditions including cancer, motor neurone disease, cardiovascular diseases, multiple sclerosis and cystic fibrosis, and are increasingly supporting people with multiple life-limiting conditions including dementia. This care is based on the belief that everyone matters all the way through their life until the moment they die, and that no one should die in avoidable pain, suffering or emotional distress, and that the care of their loved ones should extend into bereavement.

The services provided by Havens Hospices are part of this wider picture of the hospice movement, which seeks to improve the quality of life and wellbeing of, and help make every moment count for, everyone who receives its care and those who are important to them. Hospice care aspires to be accessible to all who could benefit from it and to reflect personal preferences and needs. Hospice care is free and available for the duration of the individual's journey, which could be days, weeks, months or even (for the children's hospice particularly) years.

As stated earlier, in-patient hospice care is provided by Fair Havens for adults who live in South East Essex, and by Little Havens for children and young people in the majority of Essex. Adult community services are also provided in partnership with SPDNS, a closely associated community interest company with whom the hospice has had a close relationship for over 20 years. "EPIC" (Essex Palliative Integrated Care) community services for children and young people are commissioned by Little Havens as the lead commissioner jointly with the Essex CCGs from *Provide* (the trading name of Central Essex Community Services), a community interest company.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

Examples of the core services delivered across all of the organisation's areas of care, with the aim of providing the best experience possible for the individual and those important to them include:

Holistic assessment of need

This assessment looks at the whole needs of the individual and their circumstances. This includes emotional, spiritual, psychological and social needs, alongside their physical welfare. Account is also taken of the needs of their loved ones, which is of particular importance for the children at Little Havens. The range of services provided includes pain and symptom control, psychological and social support, rehabilitation, complementary therapies such as massage and aromatherapy, chaplaincy and family support (such as counselling, spiritual care, advice on welfare benefits, and support in bereavement). The holistic nature of the care provided is delivered by members of multi-disciplinary teams, many with specialist skills. In recent years, the charity has experienced increasing complexity and dependency amongst the children and adults using its services, both within its in-patient units (IPU) at Fair Havens and Little Havens and in those cared for in the community.

Personalised care

Havens Hospices' care aims to be responsive to the individual's needs as well as to those who are important to them. Examples of how this is achieved include the celebration of important and happy events, such as organising a marriage blessing and renewal of wedding vows, arranging children's sleepovers, hosting afternoon teas, or creating memory boxes and photograph albums to build special memories. The organisation also works with other charities such as the *Willow Foundation* and *Winston's Wish* to organise theatre trips and short breaks for individuals who are well enough to enjoy them. Personalised care also addresses the challenges of controlling pain and other symptoms, treating acute episodes of care that may otherwise worsen the individual's condition, and offering family members comfort and support as the death of the individual approaches and the process of bereavement begins. Difficult clinical decisions are made by exploring the balance of risk and benefit to the individual, taking into account their choices about their care, and by involving where appropriate other specialists with experience of the individual's condition and the stage of their illness.

Advance care and urgent treatment planning

Founded on open, honest and sensitive discussions with the individual about their condition, advance care and urgent treatment planning enable them and their families to make decisions about the choices they face, and how and where they would like their future care delivered. This can cover practical issues, such as funeral arrangements, and also set out what the individual would prefer to happen when urgent care is required, for example, decisions around "do not attempt cardiopulmonary resuscitation".

Clinical education, and training and development

The charity is proud of the expertise of its in-house clinical education department, which is served by a team of paid staff and volunteers. The purpose of the team is to provide for the educational needs of care staff across the hospices' services, with the ultimate goal of providing high quality compassionate care to all who receive it. Informed by standards and recommendations set out by the Care Quality Commission (CQC), guidelines from the National Institute for Clinical Excellence (NICE), the Nursing Midwifery Council and by government strategies and initiatives which derive from Health Education England (HEE), suitable training programmes are carefully researched, designed, delivered and evaluated in order to meet the needs of the organisation's services. These are adapted regularly as required to meet the ever-changing world of healthcare provision.

The Francis report which followed the investigation into failings at Mid Staffordshire NHS Trust has influenced the education being provided by the team during the year. Clinical audits, risk assessments and patient questionnaires also play a significant part in what training is needed and how it is delivered, to support the professional and personal development of staff. Robust induction programmes for all new staff members and tailored inductions for volunteers are mandatory, and professional care staff receive external supervision as appropriate to their individual disciplines. This also helps to minimise risks to service users and to ensure that the hospices operate a safe environment for all of their care.

Havens' education services extend to supporting care homes and domiciliary care within the local community, sharing the charity's specialist knowledge and skills with those organisations' staff with the aim of raising standards of compassionate care for those residents in the community to whom the adult hospice is unable to deliver its own services. Close links also exist with the local universities and higher education facilities, whose students access Havens' clinical expertise in order to advance their skills in palliative and end of life care.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

Achievements and performance

The organisation's business plan for the year aimed to further the hospices' core charitable object and the trustees' adopted strategic values set out on page 4 to this report. The corporate business plan was centred on four main themes related to the direct delivery of care, in addition to the means by which the necessary funds are raised to finance this care and the support services required to enable the charity to operate. The themes grouped within this report are consequently:

- adult hospice: in-patient and related services
- adult community hospice services
- children's hospice: in-patient and related services
- children's community hospice services
- income generation through fundraising and marketing
- income generation through trading operations: charity shops, weekly draw and challenge events
- support services (including development of a new adult hospice known as *new Fair Havens*).

Adult hospice: in-patient and related services

What the charity said it would do:

- Review the senior nursing structure in the adult hospice's in-patient unit.
- Review carer support groups and activities.

What the charity has done:

- A restructuring of senior nursing posts taking account of the planned retirement of senior staff was completed during the year as planned, and new appointments have been made.
- Support services for carers and families are developing well, with a number of initiatives having been introduced including a "buddies bistro", carer days and pamper (spa) days. Following the review of Carer Groups, additional future services are now being planned.

Adult community hospice services

What the charity said it would do:

- Continue to increase access to adult community services, including day care, providing a person-centred approach to delivering a wide range of care and therapies to patients with life limiting illness and to those who care for them.
- Continue to develop a "24/7" community nursing service and skill mixed team (a "virtual ward") to provide palliative short breaks and end of life care to patients with life limiting illness and those who care for them, supporting patients awaiting IPU admission and their carers, and those who wish to die at home.
- Recruit a new staff of carers in order to build sufficient capacity in the hospice at home team to support the development of Havens' community services, including a managed care (Fast Track, Continuing Health Care funded end of life) service.
- Develop the use and evaluation of the Carer Support Needs Assessment Tool (CSNAT) in order to identify carers' needs as quickly as possible, supporting them in dealing with those and reviewing if the needs have been addressed; this includes identifying any recurrent themes in the needs of carers, and the most effective support appropriate.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

- Improve care and support for patients with dementia and their families, understanding and acknowledging their particular needs and wishes. This includes helping patients and their families to discuss end of life issues and make decisions while they still have capacity, for example relating to their preferred priorities of care and Do Not Attempt Cardiopulmonary Resuscitation (DNACPR) wishes.

What the charity has done:

- A blood transfusion service and physiotherapy sessions, including an exercise class and support with breathlessness, are now available in day care. Access to complementary therapies for day care patients and their carers has been increased, and new therapies added during the year including Indian head massage, aromatherapy with aroma sticks and "story massage". The former information and advice (MIALS) service is no longer functioning but a new clinical nurse specialist (CNS) role has been integrated within day care services.
- Despite an encouraging initial pilot, the "virtual ward" service is unable to operate at present due to difficulties in recruiting sufficient appropriately qualified staff. Patients' needs have been addressed by incorporating relevant aspects of this planned service into a new end of life managed care service, through hospice at home, or by signposting to other available local services.
- The hospice employed carers for a new managed care service which commenced during the year as a six month pilot in Castle Point & Rochford CCG's local area. The service is partially financed by Continuing Health Care (CHC) fast track funding, with Havens contributing some of its charitable income to cover the difference between the CHC fees and the service's costs. The project aimed to determine whether fast track care is being instigated appropriately, both from a patient support and financial (NHS commissioning) perspective, by developing a team within Havens to replicate the care and support provided by the adult hospice's in-patient unit but which enables patients to die at home when that has been expressed as their preferred place of care. The project also sought to provide added value to service users via complementary therapy, family support and other ancillary services. The initial results from the pilot were sufficiently successful for Castle Point & Rochford CCG to decide to extend it to the end of March 2017. Hospice staff are now in talks with Southend CCG with a view to expanding the service into that local health area.
- The Carer Support Needs Assessment Tool (CSNAT) is being used effectively within the community, and has received positive feedback from service users. The hospice reviewed its delivery of hospice at home during the year following some concerns which had arisen over equity of provision, particularly for overnight service, bank holidays and short breaks.
- Training has been provided to staff and trustees during the year on the Mental Capacity Act and on dementia awareness. This is an area of the hospice's services which is expected to continue to develop and expand and which is, therefore, being planned into the ongoing new adult hospice service review.

Children's hospice: in-patient and related services

What the charity said it would do:

- Implement *SystmOne*, the NHS electronic health records database, for children's hospice services.
- Implement a fully functioning and user friendly training database for the use of the clinical education team, care directorate managers and care directorate staff trainees.

What the charity has done:

- *SystmOne* was implemented in the children's hospice ahead of schedule and staff trained in its use, with administrative staff, the STEMS team (support, therapy, education, music and specialist play) and clinical staff all now using the new database to record patient data.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

- The initial solution planned for the clinical education database, a low-cost module added to the charity's intranet *i-Hub*, proved unsuccessful. Alternative options have, therefore, been investigated. The plan now is to purchase a complementary module to a new HR database being installed following the year end, so this objective has been carried forward into 2017. No financial loss to the charity resulted from the abortive initial plan, as the licences are being used productively elsewhere in the organisation.

Children's community hospice services

What the charity said it would do:

- Expand the provision of care in support of children, young people and their families in the community.

What the charity has done:

- The charity continued to provide 480 hours of short break services each month to an average of 61 children and their families in the community, via *EPIC* (see further details on page 5).
- Meetings took place during the year between the hospice and the lead commissioner for children in Essex, to discuss options for expansion of this service. At the time of writing this report there were seven children on the waiting list for *EPIC* services and another seven awaiting assessment. Feedback from families is that there is, in addition, a growing demand to increase the number of hours of short break care being provided to existing families on the *EPIC* case load.

Income generation through fundraising and marketing

What the charity said it would do:

- Ensure Havens Hospices is the charity local people want to support, work and volunteer for so that, with their support, the charity can secure the long term future of hospice care in its local community.

What the charity has done:

- The hospice's corporate fundraising team achieved an outstanding performance resulting in a 65% growth in income from companies across Essex and London (an increase of £303,000), with many corporate donors also supplying staff to volunteer for the charity.
- Income generated from major donors towards our existing operations increased by £87,000 (up 58%), in addition to the £215,000 given by major donors for the *new Fair Havens* capital appeal, which is tribute both to the generosity of our supporters and to the hard work of the major donor fundraising staff.

Income generation through trading operations: charity shops, weekly draw and challenge events

What the charity said it would do:

- Open two new shops (in addition to the 2015 "quota" of two shops rescheduled into 2016), in order to ensure continued development of the net income generation from trading operations.

What the charity has done:

- New shops opened in Witham (May 2015), Basildon (September), Colchester (October) and Collier Row (December), bringing the total number of shops now trading to 23. Net income from charity shops has, however, declined overall despite this continued expansion, and as a result the trading company directors have started to consider alternative future income generating opportunities, to further diversify future funding for the work of the hospice.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

- Net income from the charity's weekly draw was 14% (£87,000) higher in 2016 than in 2015, but this was largely due to a reduction in costs due to recruiting fewer new participants during the year. This will have the effect of reducing growth in income in 2017, but plans are in place to undertake special promotions of the draw next year to counteract this.
- Once again local people and those further away took on amazing challenges, walking, trekking, running, cycling and much more to raise money for Havens Hospices. Despite some terrible British weather almost 5,500 people took part. Although this was lower than in the previous year, individual values raised by each supporter increased, which helped mitigate the reduced number of participants.

Support services (including new Fair Havens)

What the charity said it would do:

- Introduce the new VAT relief scheme for hospices, which was announced by the government in December 2014, when it commences in April 2015 in order to maximise recovery of VAT on care costs, and agree a partial recovery method with HMRC for non-care costs to implement during 2016.
- Prepare detailed planning application documents for the design of the new hospice building by mid 2016, with a view to subsequent production of tender documents for its construction, and explore potential sale solutions for certain freehold property owned by the charity as part of realising cash towards the future capital cost of constructing *new Fair Havens*.

What the charity has done:

- The new VAT scheme for hospices was fully implemented as from April 2015. By March 2016 some £175,000 of VAT had been recovered, which would not otherwise have been possible, since the date of registering the charity for VAT and forming a VAT group with the trading company in October 2014.
- Plans drawn up in outline in previous years for the new hospice were reviewed in detail, a quantity surveyor appointed and project plans developed including timelines for tendering of construction contracts. Preliminary discussions with local estate agents and an architect were held to look at how the charity can maximise the disposal value of three of its freeholds, proceeds from which will contribute towards the cost of the new hospice. Market values are being watched closely, with a view to disposing of properties at the peak of the market in so far as is practicable, and early discussions have taken place with local authority planners to smooth the process of any changes required to planning use consents.

Beneficiaries of the charity's services: outcomes and impact

The charity receives consistently positive feedback from its service users across all aspects of its care. In particular, staff are complimented for their kindness, flexibility, attention to personal wishes, excellence of clinical care, quality of catering, the sibling support provided by the children's hospice, and the time taken with each individual and their families. Specific feedback from many users of Little Havens indicates higher demand for short break (formerly called 'respite') care than the charity has the capacity to provide, so budget has been set aside for 2017 and future years to recruit additional children's nurses to help increase the care that is possible.

The recent introduction of a new quality improvement toolkit known as the Outcome Assessment and Complexity Collaborative Project (OACC) has provided a suite of measures designed to capture and demonstrate a measurable and positive difference to patients from palliative care services across the UK. These measures aim to improve team working, drive quality improvement, deliver evidence of the impact of services, inform commissioning of palliative care and – most importantly – to achieve better results for patients and their families. Outcome measures are intended to capture changes in health status which result from the interventions of care providers. Whilst health status may not be expected to actually improve for many patients within the hospice sector, it may often be possible to maintain this rather than allowing the individual's condition to decline more rapidly than is necessary. The charity expects to be able to use the results of the new OACC tool to inform the outcomes reporting in trustees' annual reports for future years.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

As an example of the positive impact of Havens' work which has been identified during the year, the adult community hospice service tracked the physiological and psychological improvements resulting from its complementary therapy treatments delivered to service users between January and December 2015. This monitored clients' wellbeing and psychological states across 20 categories before and after the treatments, using a variety of measures including feedback data from service users. The treatments offered included massage, reflexology, nail file and polish and aromatherapy. These were delivered via family therapy evenings, in-patient treatments, carer groups, spa days and day care sessions. The treatments were provided by a team of one part-time staff therapist supported by eight volunteers. The results showed significant reductions in negative emotions and levels of pain being experienced by service users after the treatment compared with their states beforehand, such as feelings of tearfulness, restlessness, busyness, tiredness, nausea or confusion. Conversely, the treatments were seen to substantially enhance feelings of relaxation, restfulness, security, happiness and general wellbeing. These improvements were seen both in patients and in families and carers receiving the treatments. The complementary therapy has been so successful that it has been extended to staff as well in evening sessions provided by volunteers, with similarly positive results.

Another area in which the charity has been able to evidence its impact during the year has been in the end of life managed care pilot service which commenced in May 2015 in response to discussions between the hospice's adult community service and Castle Point & Rochford CCG. The CCG wanted to test a new model of assessment and care for patients receiving Continuing Health Care fast track funded care packages, to identify whether those patients who had been fast tracked under CHC were receiving appropriate NHS funded care, and whether their needs could have been met more appropriately from social care provision. NHS data for the wider Southend area suggested that unprecedently high levels of CHC fast track referrals were being made for patients leaving hospital within the vicinity compared with national averages.

It is often the case that patients assessed for CHC funded care in hospital are in an unstable condition, and their care needs reduce when discharged home to their familiar and more comfortable environment, where their condition improves and the hours of care required each day consequently reduces. Families may also choose to take on more care responsibilities, further decreasing the overall external care visits the patient requires. Under the pilot, Havens' adult community team received referrals of CHC fast track patients from Southend hospital and from Castle Point and Rochford community care. Each patient was assessed by a trained nurse and their individual care needs identified, with a care plan being prescribed to meet these which ensured that the family or other carers were also supported.

During the six month pilot 49 cases were reviewed, resulting in five having their care packages increased, 22 reduced and 22 unchanged. In summary, 59% of referrals were deemed to have been appropriate, 31% should not have been fast tracked as the patients' condition was not rapidly deteriorating, and 10% returned to hospital. Patients who had been referred appropriately were subsequently cared for by Havens' end of life care team, many also receiving other Havens services such as physiotherapy, chaplaincy, benefits advice and respite from hospice at home. This provided extra value to the CCG in return for its funding, as well as holistic care for patients and their families. Those who ought not to have been referred were redirected back to CHC for re-allocation of their care to more appropriate providers.

The pilot was also part of the wider, long term goal of seeking to maximise numbers of patients achieving their preferred place of care at their time of - and period leading up to - death. During the initial six months pilot, 100% of patients who died whilst on Havens' managed caseload achieved this, dying at home. This compares with the national average of some 50% of people who die in hospital, despite less than 8% of the population expressing a wish to do so. The outcome for Havens' pilot also contrasts with those patients within the scheme who were transferred back to CHC for reallocation of care to private providers or admission to hospital (because their referrals to the fast track scheme had not been appropriate), of whom only 60% subsequently achieved their preferred place of care.

The evaluation of the pilot stage of this project suggested that Havens generated £9,000 of savings for the CCG for 2016 since the project commenced, via an overall 25% reduction in the hours of care actually required. As a result, the pilot has been extended into 2017, and the hospice expects to be able to achieve further savings for that year for the CCG in excess of £20,000 – savings which mean that stretched local NHS resources can be redirected to other areas of pressing local need.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

Key service statistics	2016	2015
<i>Adult hospice: in-patient and related services</i>		
Patients receiving in-patient care	292	229
<i>Adult community hospice services</i>		
Clients using day care services	211	124
Patients receiving complementary therapy treatments	264	236
Patients' carers receiving complementary therapy treatments	374	360
Complementary therapy treatment sessions delivered	916	726
Physiotherapy consultations delivered in day care or clients' homes	534	197
Hospice at home client referrals	478	618
Hospice at home total care hours delivered (60% daytime, 40% night-time)	7,223	10,923
Hospice at home care co-ordinator visits	372	329
Hospice at home registered nurse visits	463	783
Hospice at home community carer visits	1,261	1,633
Referrals to CHC funded fast track project	116	N/A - new
Clients receiving CHC-funded end of life care packages	97	N/A - new
Hours of CHC-funded end of life care delivered	1,203	N/A - new
<i>Children's hospice: in-patient and related services</i>		
Overnight stays by children (number of episodes of care)	289	383
Total bed nights provided to children	877	953
Overnight stays by families (number of episodes of care)	190	214
Total bed nights provided to families	596	617
Total day stays provided to children and their families or carers	66	31
<i>Children's community hospice services</i>		
Children and families receiving home respite care (case load)	61	60

The reduction in referrals, and consequently also in the hours of care delivered, for some aspects of adult community hospice services resulted partly from a strategic change in the structure of the team and in its focus of service provision, in response to changes in the needs of service users. As a result, significantly more day care and complementary therapies have been provided, and the new end of life managed care service launched, whilst other community-based services have decreased. Havens' partner in delivering hospice at home services, SPDNS, encountered difficulties during the year in recruiting sufficient numbers of carers to meet demand. This impacted on the hours of care that could be delivered, which prompted external services to reduce the number of their referrals. Subsequent to the 2016 year end, this is now being addressed by Havens utilising its own recently recruited carers to support SPDNS in delivering the hospice at home service.

Similarly, variations in service statistics for the children's hospice were due in part to an increase in day care being requested by service users in preference to overnight stays, and in part to continued difficulty in recruiting qualified sick children's nurses – a problem experienced by hospices and children's charities throughout the UK due to a national shortage of these staff. Havens' budget for 2017 and four year plan include provision to recruit an additional six nurses over this period, and alternative ways of addressing the staff need are also being explored to help mitigate the lack of availability of qualified and experienced children's nurses.

Financial review

The trustees are pleased to present the financial results for the year which show a net surplus - including capital appeal donations towards the planned new adult hospice and after accounting for unrealised losses on investments - of £909,000 (2015: £738,000).

Total gross income for the year was £10,348,000, 1% above the £10,204,000 in the previous year.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

Total income from donations and legacies, net of the associated costs of generating this income, totalled £3,715,000 (2015: £3,711,000). This included a single gift of £553,000 from the Ivan Heath Trust for the capital appeal to build the new adult hospice (2015: £1,000,000 from the same source). The trustees are grateful to this Trust for such generous giving, the late Mr and Mrs Heath having been loyal supporters of both the adult and children's hospices for many years. This brings the total received for *new Fair Havens* from the Ivan Heath Trust since the inception of the capital appeal to £3,553,000. Of this, £1,796,000 was utilised in November 2015 to purchase the land required to build the new hospice on the Prittle Brook estate.

Fundraised income in 2016 also benefited from an outstanding performance from the charity's corporate fundraising team, resulting in income from corporates ending the year £303,000 (65%) higher than in 2015. The major revenue team similarly grew income by £302,000 including gifts for the capital appeal, more than doubling the figure achieved for 2015.

Trading activities generated £1,369,000 of net income, 6% below the £1,464,000 produced in 2015. This was achieved via the organisation's 23 charity shops (with four opening during the year), a weekly hospice draw and "challenge style" fundraising events.

Trading income disclosed in these accounts for both years includes retail gift aid on donated goods claimed through the charity, together with the gift aided sales themselves. In previous years' published accounts, all income relating to the retail gift aid scheme was accounted for as donations to the charity rather than as trading income, but the trustees feel it is more representative of the underlying source of this income to include it within trading activities. In the charity's own accounts, however, this is treated as donated income and the subsidiary trading company excludes this income in its statutory accounts. Gift aid on donated goods generated income of £162,000 this year, compared with £218,000 in 2015. Of this decrease, however, £70,000 related to a one-off bonus in 2015 resulting from a change in the gift aid scheme. The remainder of the reduction in net income from trading activities resulted essentially from the investment in new shops at Basildon, Colchester, Collier Row and Witham, which should generate additional future funds for the charity once these shops mature.

Income derived from charitable activities was mostly generated from statutory sources, which in 2016 totalled £1,580,000 (2015: £1,499,000). Of this increase, £50,000 was a new source of income commencing in May 2015 from Continuing Health Care funded end of life care packages (see page 11), and the balance due to the CCGs changing the way they contribute towards NHS pension costs, which is now absorbed into annual grants.

Total expenditure on charitable activities for the year was £5,882,000, 4% lower than the £6,124,000 last year. This saving was achieved despite inflation in the hospices' core costs including payroll, and resulted from the new VAT relief scheme introduced for hospices by the government from April 2015, restructuring of the Macmillan nurse team (now a new end of life care team), and refunds of VAT (following a successful challenge by the hospice) which had been charged by the local hospital on medical consultants' costs in earlier years.

The charity experienced unrealised losses on its investment portfolios totalling £24,000 in 2016, compared with the unrealised gain of £49,000 the previous year. The trustees took advantage of reductions in the level of the markets, however, to invest a further £250,000 of free reserves into the balanced funds managed by Investec, partly due to the higher yields available from this than from cash, and with a view to future capital growth. Further details of the charity's investment portfolios are provided on page 14.

The charity's cash position remained solid over the year, with £1,939,000 of free cash being held at 31 March 2016 (2015: £2,597,000), in addition to £2,644,000 of cash investments (2015: £3,105,000). The £1,119,000 reduction in total cash year-on-year was due to the purchase of land on which to build *new Fair Havens* for £1,796,000 in November 2015, and to the investment of £250,000 in the portfolio mentioned above, but mitigated by additional funds coming in for the capital appeal.

Principal risks and uncertainties

The principal risks facing the charity and its subsidiaries relate to:

- declining net income from the group's charity shops, which operate in an increasingly competitive environment, with diminishing returns now being experienced from continued expansion in this area

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

- funding uncertainties that arise from significant proportions of total income coming from legacies, which by its nature can be a volatile income stream, and from public sector sources, which may be subject to future change resulting from the ongoing palliative care funding review
- the challenge of raising sufficient cash from the capital appeal to fund the construction and operation of the new adult hospice, to enable the charity to meet the growing need for its services in the longer term.

The trustees take seriously their responsibility to ensure that actual and potential risks to the organisation, its clients and visitors are identified, and that all necessary and appropriate steps are taken to eliminate or minimise them. To achieve this, the trustees have delegated to their sub-committees (known as 'governance committees') and to staff at all levels of the organisation responsibility for managing risk in their respective areas. Each of the governance committees maintains a high-level risk register, which collectively provide the basis for the trustees' overarching register. Staff and volunteers throughout the organisation receive specific training on risk awareness, assessment and management. For managing day to day risks, the organisation also operates a computerised risk management database system.

A key element in the management of financial risk is the setting of a reserves policy, which the trustees review regularly (see details on page 15). The charity also undertakes contingency planning as part of its high level risk management strategy.

Investment powers and policy

The charity holds two invested, balanced portfolios of shares and securities which are managed by Investec Wealth and Investment Limited. The overall objective approved by the trustees for these funds is to create sufficient income and capital growth to assist the charity to carry out its purposes consistently year by year, balancing present income needs with the maintenance of and, if possible, enhancement of the value of the invested funds while they are retained. Both capital and income may be used at any time for the furtherance of the charity's aims. Consequently, the portfolios are managed on a total return basis. The market value of the combined portfolios at 31 March 2016 was £1,396,000 (2015: £1,180,000). Investment markets suffered volatility in the year to March 2016, partly due to global concerns about the Chinese economy and partly due to falling prices of oil and other raw materials. Against this background, Investec achieved an overall total return, including income yield, of 0.1% for the Little Havens portfolio and of 0.2% for the Havens Hospices portfolio, compared with the benchmark return of -0.2%.

In addition to the managed fund portfolios held with Investec, the trustees' policy for management of cash is to hold funds deemed surplus to immediate operational requirements in a range of interest-bearing term deposit accounts with differing maturity dates, spread across UK banks or building societies to mitigate risk. In response to low interest rates in the current market and a desire to spread risk, £999,000 is held in a pooled cash fund managed by Royal London Asset Management (2015: £1,000,000), with the aim of improving yield whilst increasing diversification. At 31 March 2016, £2,644,000 (2015: £3,105,000) was held in total in deposits due to mature in more than three months but less than two years, which are classified in these accounts as *current asset investments*, and £1,939,000 held in deposits of three months' notice or less, including instant access accounts (2015: £2,597,000), which are classified in these accounts as *cash in hand and at bank*. Although available for withdrawal at short notice if required, the Royal London cash fund is classed as a cash investment rather than as cash in hand due to the nature of the fund and the trustees' intention to hold it for the longer term.

Ethical investment policy

The trustees' agreed ethical policy is to task its investment managers with taking a pragmatic approach to the selection of its portfolios, with the proviso that the trustees do not wish to invest in areas that are seen as detrimental or damaging to the interests of the charity's beneficiaries, or to the Christian ethos of the organisation. The invested portfolios are managed on a collective basis; consequently, the charity does not have direct control over the underlying investments within it. Investec are, however, instructed to ensure that any initial investment in an element of a diversified fund is at a level of less than 10%, for the share or company holding that may be in conflict with the charity's ethical restriction statement. No explicit ethical restrictions have been set for the charity's investment of cash reserves within the Royal London pooled *Cash Plus* fund.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

Post balance sheet events

The trustees are not aware of any material post balance sheet events requiring disclosure in these accounts.

Reserves policy and going concern

Reserves are required to bridge any gap between spending on the charity's services and the income it receives from all sources, to invest in services and future income generation, and to pump-prime future initiatives. The trustees recognise the need to hold adequate reserves as part of their overall risk management strategy.

The bulk of the charity's annual income comes from voluntary sources which, by their nature, are non-contractual and can vary substantially from year to year. This is particularly true of legacies, and with the ongoing palliative care funding review there is some additional risk of uncertainty over future funding arrangements with core statutory funders, primarily Clinical Commissioning Groups (CCGs) and NHS England.

Although the charity improved its overall reserves this year by £909,000 as a result of the net surplus, £896,000 of this related to funds donated during the year that are restricted to *new Fair Havens* (2015: £924,000). Mindful of the need to pump prime the *new Fair Havens* capital appeal once this is launched in its public phase, the Trustees decided to designate an additional £750,000 of the charity's free reserves towards that appeal at 31 March 2016, in addition to the £1,000,000 already designated in 2014. In addition, the £98,000 net movement in the value of fixed assets during the year has been transferred to the fixed assets designated fund. All designated funds are now excluded from the trustees' computation of the organisation's free reserves. Free reserves at March 2016 were, therefore, £2,263,000, £945,000 lower than the free reserves at 31 March 2015 (computed on the same basis as for 2016) of £3,208,000. For the purpose of this calculation, funds that carry no restriction other than that they are to be used for Fair Havens or Little Havens are included in free reserves.

The trustees undertook a detailed review of their reserves policy during the year, taking into account in particular the expected costs to construct *new Fair Havens* and the higher levels of funding which will be required to operate the planned expansion in services from the new hospice, once built. The trustees consider that in order to protect against future risks, maintain funds to enable the future running of *new Fair Havens* and continue to operate effectively in the interim, the charity should ideally aim to hold free reserves (defined as unrestricted and undesignated cash and other net current assets) in the region of two months' future budgeted expenditure by the time the new adult hospice opens. Free reserves at 31 March 2016 represented just under three months' current budgeted spend, and the trustees believe that the charity's approved reserves policy is consistent with its four year plan to March 2020. In reaching this conclusion, the trustees have considered how the necessary reserves level is likely to vary over the period of the capital appeal and early days of the new hospice facility, and have mapped out specific targeted reserves levels for each year accordingly. In doing so, they have taken account of profits they anticipate arising on the sale of freehold land and property during 2017 and 2018, the proceeds of which will be used towards meeting the construction costs of the new hospice.

Having reviewed the strategic risks facing the charity, the budget and business plan for the periods 2017 to 2020 and the overall cash levels held, the trustees consider that there are sufficient reserves held at 31 March 2016 to manage those risks successfully, despite the inherent uncertainty in key sources of income such as legacies, trading income from charity shops and statutory grants.

The trustees also consider that there is a reasonable expectation that the charity and its subsidiary companies have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Plans for future periods

The charity's key goals for 2017 continue to centre around the four key care themes of adult and children's in-patient services and related hospice work, and adult and children's community hospice services.

In addition, the corporate business plan sets key objectives for the teams responsible for income generation from fundraising and marketing, income generation from trading activities, and the support services needed to enable any of these core services and activities to succeed.

Key business plan objectives and targeted outcomes that were set for the 2017 accounting year include:

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

Adult hospice: in-patient and related services

- Bed-in the new senior nursing structure and look ahead to future nursing requirements in preparation for the move to *new Fair Havens*.
- Assist service users to develop a better understanding of their own spirituality, and develop resources to aid staff in delivering this support.
- Investigate the increasing need for potential service users who require support relating to mental health issues, and develop hospice services accordingly.
- Increase access to physiotherapy for service users in the adult hospice's in-patient unit.

Adult community hospice services

- Increase access to complementary therapy for patients and their families cared for in their own homes, and increase access to physiotherapy for patients in the community, in day care and patients' own homes.
- Continue to develop the end of life managed care service in collaboration with Castle Point & Rochford CCG and with Southend CCG.
- Operate day care services five days per week (Monday to Friday), and develop plans for future delivery of day care at *new Fair Havens*, exploring the possible expansion of patient and carer support to seven days per week.
- Develop and increase the blood transfusion service, making this more flexible for patients, and develop capacity for patients to receive monthly *Zometa* infusions within day care, relieving the need for them to attend hospital for this treatment and enabling them to participate in other day care services on offer.

Children's hospice: in-patient and related services

- Review the current services offered with the intention of providing more care to existing service users, as well as developing care for more complex children via the in-patient unit and day care at Little Havens. This entails recruiting additional children's nurses for Little Havens hospice in 2017 and also in the coming three years, with the aim of providing more short breaks for families within the in-patient unit and its associated services.
- Assist children and their families to develop a better understanding of their own spirituality, and develop resources to aid staff in delivering this support.
- Review the current training database and develop a new system to allow accurate recording of clinical education delivered to staff across the adult and children's hospice services.
- Develop a complementary therapy room in Little Havens hospice for use by both the children's and adult hospices' patients and families.

Children's community hospice services

- The nature of *EPIC* is that children can remain on the caseload for many years, and there is a risk that children waiting a protracted period of time for this service may die whilst on the waiting list. Little Havens' objective for 2017 and longer term is, therefore, to expand the provision of its care to support children, young people and families in the community setting, developing its hospice at home service to care for children at the end of their lives and their families.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

Income generation through fundraising and marketing

- Ensure Havens Hospices is the charity local people want to support, work and volunteer for so that, with their support, the charity can secure the long term future of hospice care in its local community.

Income generation through trading operations: charity shops, weekly draw and challenge events

- Continue to develop new business concepts for income generation, and continue to identify potential new charity shop sites.
- Design and launch weekly draw campaigns to raise funds for Little Havens and for *new Fair Havens*.

Support services (including new Fair Havens)

- Successfully convert the charity's and subsidiary companies' annual reports and statutory accounts to comply with the new Charities SORP FRS 102 accounting regulations.
- Continue to progress the development of *new Fair Havens*, with a view to completing a successful tendering process in order to select appropriate contractors once the required levels of capital appeal funds are in place.

Structure, governance and management

Directors and trustees

Havens Christian Hospice (abbreviated within these financial statements as HCH) is registered both at Companies House (as a company limited by guarantee) and with the Charity Commission, and trades as "Havens Hospices", "Fair Havens", "Little Havens", "The Heath Centre" and "Leaves of Life".

The company directors are also the trustees of the charity, and in line with the charity's governing document, they are referred to as "the trustees" in this document. Collectively, they constitute the organisation's governing body. All of the trustees are elected by the members of the company at the Annual General Meeting (AGM).

Appointment of trustees

Under the Articles of Association, as amended in November 2010, trustees are elected at the AGM for a term of office normally of four years. Trustees are eligible to stand for re-election once only. Having served a maximum of two terms, a trustee must allow an interval of at least one year to elapse before he or she is eligible to seek further election. The trustees have the power to co-opt additional trustees, provided their total number does not exceed 13. Such appointees hold office only until the next following AGM, at which point they must be nominated for formal election. The Articles of Association require the trustees to be Christian, to be members of the company and to sign a written declaration of their willingness to act as a trustee of the charity.

The trustees have procedures, overseen by the charity's governance sub-committee, for the recruitment, induction, training and support of newly appointed trustees. The trustees determine the range and mix of skills they believe are required to fulfil their responsibilities, and analyse their existing skills and experience regularly to identify those areas they will be looking for particularly, when seeking to attract new trustees. Use is made of personal and local networks including churches, chambers of commerce, Rotary clubs, business and trade associations and volunteer bureaux to reach people with the appropriate skills and experience who might be interested in becoming a trustee. Trustee vacancies have also been advertised on the organisation's website, and use is also sometimes made of those of national organisations.

Induction and training of trustees

Newly appointed trustees are given a copy of the organisation's governing document and are provided with further information during the recruitment process to ensure that they are fully introduced to the organisation.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

Trustees are also encouraged to visit and meet care and support staff in both hospices, to visit at least one of the organisation's charity shops, and to attend an external 'Introduction to trusteeship' training course as well as the relevant sessions of the organisation's corporate induction programme. The chairman also considers the governance committees on which newly appointed trustees might be willing and able to serve and how best to use their skills. Within the first six months of the appointment of a new trustee, the chairman and chief executive meet with them to ensure they have received a thorough grounding in the work they will be asked to carry out. Additional and ongoing training is provided when required or requested, and trustees participate in annual appraisals and regularly review their agreed key performance indicators.

Governance

The trustees usually meet bi-monthly, with additional meetings being scheduled to consider any exceptional or urgent items of business. To ensure good governance, the trustees have also appointed high level sub-committees to act as governance committees. The governance committees provide assurance on controls operating across the organisation's key business areas: care; finance; fundraising, marketing and communication; health and safety and facilities; human resources and education; and the *new Fair Havens* project board. These are in addition to the overarching governance committee. All of the committees are chaired by trustees. The executive team also meets as an executive committee, which reports through the chief executive to the trustees.

The trustees exercise a system of delegated responsibility. Other than their governance role and specified reserved matters such as the setting of strategy, approval of policies and of the charity's Vision and Mission, day to day management of the organisation is delegated to the chief executive and executive team. In addition, some 265 paid staff and 850 volunteers provide invaluable support in all areas of the organisation's activities.

The trustees ensure that very careful attention is paid to the organisation's finances. The finance committee and executive committee both receive monthly management accounts, and a finance report which has first been reviewed by the finance committee is presented to each full meeting of the trustees. The organisation's activities for the year are set out in an annual corporate business plan, which is supported by a rolling three or four year financial plan. The underlying high-level departmental business plans are approved annually, and progress against them is reviewed on a quarterly basis by the trustees.

Related parties and relationships with other organisations

The charity has two wholly owned subsidiaries: Havens Hospices Trading Company Limited (HHT) and Havens Development Company Limited (HDCL).

The principal purpose of HHT is to generate income for the benefit of the hospices. This is achieved via the sale of (mostly donated) goods through HHT's chain of charity shops. Any available taxable profits that are generated by HHT are gift aided to the charity (see Note 11 to the accounts). Income generated from the charity's weekly draw and from challenge-style fundraising events are disclosed in the group financial statements as income from trading activities, but those activities take place within the charity and not through the trading company. Similarly, the costs associated with those sources of income are incurred by the charity rather than the trading subsidiary.

The purpose of HDCL is to act as the vehicle for undertaking the design and build of an adult hospice (*new Fair Havens*). HDCL recorded a small net surplus for the year resulting from the work it undertook in the ongoing design of, and working towards obtaining detailed planning consent for, the new building. All such work carried out up until the balance sheet date was invoiced in full to the charity. As for HHT, any available taxable profits generated by HDCL are gift aided to the charity (see Note 11).

The trustees recognise that they are, themselves, considered to be related parties to the charity, as are specified categories of their close relatives, business partners or other associated parties. Similarly the executives, as the organisation's key management personnel, are identified as related parties to the organisation, together with their specified immediate relatives. Any transactions identified between the charity and these related parties are disclosed within these financial statements in accordance with the requirements of the Charities SORP FRS 102, including aggregate values of donations made to the charity.

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

When receiving donations from related parties, the trustees consider whether the size or any restrictions attaching could impact significantly on the charity's good governance, future direction or day to day operations. Any such donations (if accepted) would be disclosed individually in the charity's financial statements, but none of this nature have been received for 2016 or for 2015.

The charity is contracted to two outside organisations which assist in delivering specified aspects of the hospices' community based care. These are *SPDNS* (for adult hospice at home) and *Provide* (the trading name of *Central Essex Community Services*, for *EPIC*, a home based, short break service for children with palliative care needs), both of which are registered as community interest companies. *SPDNS* also provides palliative care services to St Luke's hospice in Basildon, and the *EPIC* service is co-commissioned by Essex CCGs, with Havens Hospices providing 53% of the total funding for this Essex-wide service. The *SPDNS* service is provided under a rolling annual contract, and the *EPIC* service under a three year agreement ending March 2017, which would be subject to renewal at that time.

Remuneration policy for key management personnel

The trustees have identified the executive team as the key management personnel of the charity. Executive pay is determined by the governance committee (a sub-committee of the trustees). Decisions are informed by market testing of salaries, subject to affordability. The salaries of two new executives recruited during the year were based on the same principle of basing all staff pay on equivalent, relevant market rates.

Historically, the governance committee has applied the same criteria of performance related pay for executives, based on annual appraisal ratings, as is used for all other staff in the organisation, with the same percentage uplifts (if any) applying as for other staff. For the 2016 accounting year, the executive team elected voluntarily to waive any pay award due that year, as part of their commitment towards maintaining the financial strength of the charity in the light of funding pressures that existed at the time that the annual pay review took place.

Policy for employment of disabled persons

The charity is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Particular attention is given to the training of, and provision of flexible working hours for, disabled employees to ensure that their career development is not unfairly restricted by their disability, or by perceptions of it. The group's HR procedures make clear that full and fair consideration must be given to applications made by and the promotion of disabled persons. Where an employee becomes disabled whilst employed by the group, the HR procedures also require that reasonable effort is made to ensure they have the opportunity for continued employment within the group. Retraining of any employees who became disabled whilst employed by the company would be offered where appropriate.

Employee involvement

Employees are encouraged to engage with activities and discussions taking place around the organisation. Staff notice boards and email groups are used to keep staff aware of urgent or important issues, with consultation meetings and 'walkabouts' conducted by the chief executive and trustees to give employees the chance to ask questions on specific issues. The group's internal newsletter, *The Hub*, is produced in print, with online and emailable versions also available for staff and volunteers. Havens' intranet, known as *i-Hub*, provides charity staff with information about the group's activities, its staff handbook, policies and procedures, as well as communicating issues such as the financial and economic factors affecting the performance of the organisation. The intranet site includes functionality that enables employees to express views anonymously on matters that affect them, and the group undertakes a biennial staff survey to canvas views on significant matters. Staff regularly participate in a wide range of fundraising events to raise money for the charity, from running the London Marathon to making thank you cards for supporters. Additionally, internal events like coffee mornings and volunteer forums bring together staff and volunteers from across different departments to engage with each other and with senior management.

Statement of responsibilities of the trustees

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

Havens Christian Hospice

Report of the trustees

For the year ended 31 March 2016

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 company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the 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.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Sayer Vincent LLP were re-appointed as the group and charity's auditors during the year and have expressed their willingness to continue in that capacity.

Approved by the trustees on 19 August 2016 and signed on their behalf by



David Forster - Chairman

Independent auditor's report

to the members of

Havens Christian Hospice

We have audited the financial statements of Havens Christian Hospice for the year ended 31 March 2016 which comprise the group statement of financial activities, the group and parent charitable company balance sheets, the group cashflow statement and the related notes. 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). This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011, and regulations made under section 154 of that Act. Our audit work has been undertaken so that we might state to the 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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities set out in the report of the trustees, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed auditors under the Companies Act 2006 and section 151 of the Charities Act 2011, and report in accordance with those Acts. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2016, and of the group's 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
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and the Charities Act 2011.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the trustees, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Sayer Vincent LLP

Joanna Pittman (Senior statutory auditor)

30 August 2016

for and on behalf of Sayer Vincent LLP, Statutory Auditors, Invicta House, 108-114 Golden Lane, LONDON, EC1Y0TL

Sayer Vincent LLP is eligible to act as auditors in terms of section 1212 of the Companies Act 2006

This page is deliberately left blank

Havens Christian Hospice

Consolidated statement of financial activities (incorporating an income & expenditure account)

For the year ended 31 March 2016

				2016			2015
		Restricted	Unrestricted	Total	Restricted	Unrestricted	Total
		Note	£000's	£000's	£000's	£000's	£000's
Income from:							
Donations and legacies	2	2,379	2,679	5,058	2,103	2,924	5,027
Charitable activities:	3						
Adult hospice		-	768	768	-	737	737
Adult community services		-	347	347	-	297	297
Children's hospice		363	102	465	363	102	465
Children's community services		-	-	-	-	-	-
		363	1,217	1,580	363	1,136	1,499
Trading activities	4	745	2,814	3,559	598	2,941	3,539
Investments	5	25	46	71	16	48	64
Other sources		-	80	80	-	75	75
Total income		3,512	6,836	10,348	3,080	7,124	10,204
Expenditure on:	12						
Raising funds		487	856	1,343	596	720	1,316
Charitable activities:							
Adult hospice		611	1,876	2,487	297	2,249	2,546
Adult community services		-	972	972	-	1,023	1,023
Children's hospice		248	1,937	2,185	1,891	426	2,317
Children's community services		238	-	238	238	-	238
		1,097	4,785	5,882	2,426	3,698	6,124
Trading activities		922	1,268	2,190	675	1,400	2,075
Total expenditure		2,506	6,909	9,415	3,697	5,818	9,515
Net income / (expenditure) before net (losses) / gains on investments		1,006	(73)	933	(617)	1,306	689
Unrealised (losses) / gains on investments	14	-	(24)	(24)	-	49	49
Net income / (expenditure) for the year	6	1,006	(97)	909	(617)	1,355	738
Transfers between funds	26	(1,836)	1,836	-	-	-	-
Net movement in funds		(830)	1,739	909	(617)	1,355	738
Reconciliation of funds:							
Total funds brought forward	26	3,078	10,240	13,318	3,695	8,885	12,580
Total funds carried forward	26	2,248	11,979	14,227	3,078	10,240	13,318

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 26 to the financial statements.

Havens Christian Hospice

Balance sheets

Company no.

2805007

As at 31 March 2016

	Note	The group		The charity	
		2016 £000's	2015 £000's	2016 £000's	2015 £000's
Fixed assets					
Tangible assets	13	7,966	6,032	7,708	5,946
Listed investments	14	1,396	1,180	1,396	1,180
Investments in subsidiary undertakings	15, 16	-	-	75	75
		9,362	7,212	9,179	7,201
Current assets					
Stocks	18	111	68	-	-
Debtors	19	865	1,118	953	1,046
Current investment cash deposits	20	2,644	3,105	2,644	3,105
Cash at bank and in hand		1,939	2,597	1,920	2,576
		5,559	6,888	5,517	6,727
Liabilities					
Creditors: amounts falling due within one year	21	(664)	(696)	(581)	(650)
Net current assets		4,895	6,192	4,936	6,077
Total assets less current liabilities		14,257	13,404	14,115	13,278
Provisions for liabilities and charges	23	(30)	(86)	(2)	(58)
Net assets	24, 26	14,227	13,318	14,113	13,220
Funds					
Restricted funds		2,248	3,078	2,248	3,078
Unrestricted funds:					
Designated funds:					
Fixed assets reserve		7,966	6,032	7,708	5,946
New adult hospice appeal reserve		1,750	1,000	1,750	1,000
Total designated funds		9,716	7,032	9,458	6,946
General funds		2,263	3,208	2,407	3,196
Total unrestricted funds		11,979	10,240	11,865	10,142
Total funds	25, 26	14,227	13,318	14,113	13,220

Included within general funds is a fair value reserve for unrealised gains on investments of £126,000 (2015: £149,000).

Approved by the trustees on 19 August 2016 and signed on their behalf by

Reg Ramm - Treasurer

Havens Christian Hospice

Consolidated statement of cash flows

For the year ended 31 March 2016

	2016 £000's	2015 £000's
Cash flows from operating activities:		
Net cash provided by (used in) operating activities	1,231	736
Cash flows from investing activities:		
Dividends, interest and rents from investments	59	45
Purchase of fixed assets	(2,169)	(536)
Purchase of cash investment deposits	(1,040)	(2,020)
Proceeds from withdrawal of cash investment deposits	1,500	1,000
Purchase of investments (net of management fees)	(239)	(496)
Net cash provided by (used in) investing activities	<hr style="border-top: 1px solid black;"/> (1,889)	<hr style="border-top: 1px solid black;"/> (2,007)
Net cash provided by (used in) financing activities	-	-
Change in cash and cash equivalents in the year	<hr style="border-top: 1px solid black;"/> (658)	<hr style="border-top: 1px solid black;"/> (1,271)
Cash and cash equivalents at the beginning of the year	2,597	3,868
Cash and cash equivalents at the end of the year	<hr style="border-top: 3px double black;"/> 1,939	<hr style="border-top: 3px double black;"/> 2,597

Reconciliation of net income / (expenditure) to net cash flow from operating activities:

	2016 £000's	2015 £000's
Net income / (expenditure) reported for the year	909	738
Depreciation charges	235	188
Losses / (gains) on listed and cash investments	24	(49)
Dividends, interest and rents from investments	(59)	(45)
Increase in stocks	(43)	(55)
Decrease / (increase) in debtors	253	(23)
Decrease in creditors	(32)	(18)
Decrease in provisions	(56)	-
Net cash provided by / (used in) operating activities	<hr style="border-top: 3px double black;"/> 1,231	<hr style="border-top: 3px double black;"/> 736

Analysis of cash and cash equivalents:

	At 1 April 2015 £000's	Net cash flows £000's	At 31 March 2016 £000's
Cash in hand and at bank (total cash and cash equivalents)	<hr style="border-top: 3px double black;"/> 2,597	<hr style="border-top: 3px double black;"/> (658)	<hr style="border-top: 3px double black;"/> 1,939

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies

(a) Basis of preparation and consolidation

The financial statements have been prepared in accordance with *Accounting and Reporting by Charities: Statement of Recommended Practice*, which is applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applying in the UK and Republic of Ireland (*FRS 102 - effective 1 January 2015 - the Charities SORP FRS 102*), with the Financial Reporting Standard applicable in the UK and Republic of Ireland (*FRS 102*), and with the Companies Act 2006. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or Note.

These financial statements consolidate the results of the charitable company and its wholly owned subsidiaries:

- Havens Hospice Trading Company Limited (registered company no. 2582455)
- Havens Development Company Limited (registered company no. 6245406)

Transactions and balances between the charitable company and its subsidiaries have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the Notes to the charitable company's balance sheet.

A separate Statement of Financial Activities for the charity itself is not presented because the charitable company has taken advantage of exemptions afforded by section 408 of the Companies Act 2006.

(b) Reconciliation with previous Generally Accepted Accounting Practice (UK GAAP)

In preparing these accounts, the trustees have considered whether, in applying the accounting policies required by *FRS 102* and *Charities SORP FRS 102*, a restatement of comparative items was necessary. The transition date for this purpose was 1 April 2014. In this regard, the trustees have calculated the value of potential accrued holiday pay at the transition date and at 31 March 2015 and 2016, and have determined that the liability was not sufficiently material to justify restatement of prior year published accounts, or to require recognition at the balance sheet date. The trustees also considered whether a prior year adjustment was necessary in relation to changes required under *SORP FRS 102* to the timing of recognition of legacy income, and determined that no such adjustment was necessary as the new method is essentially a change in estimation rather than a change in accounting policy. The trustees of the charity, and directors of the subsidiary company Havens Hospices Trading Ltd, have also considered whether any restatement of prior year accounts is needed in respect of rent free periods or other lease inducements applying to charity shop properties. Again, it is their judgment that any such adjustment would be immaterial in the subsidiary company's, charity's and group accounts. No other restatements have been required. Consequently, a reconciliation of opening balances as at 1 April 2014 and 1 April 2015, as specified by *FRS 102*, is not needed. In accordance with *FRS 102*, investment gains and losses are now reported as part of net income or expenditure for the year, whereas in previously published accounts prepared under UK GAAP, these were recorded after net income or expenditure for the year.

(c) Public benefit entity

The charitable company meets the definitions of a public benefit entity under *FRS 102*.

(d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern. Key judgments that the charitable company has made which have a significant effect on the accounts include determining the value of legacy income to accrue at the end of the financial year, in accordance with the charity's policy for income recognition. The trustees do not consider that there are any areas of uncertainty affecting accounting estimations at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies (continued)

(e) Incoming resources

Income is included in the SOFA when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received, the income is not deferred and the amount can be measured reliably. Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met. Legacy income is recognised at the earlier of receipt or when the charity has been notified of its entitlement, probate has been granted, distribution is expected within twelve months, and estate accounts have been provided enabling the charity to measure the value of its entitlement reliably. Where the criteria for income recognition have not been met for legacies which have been notified to the charity, the income is treated as a contingent asset and the total disclosed in the Notes to these accounts (see Note 29).

(f) Donations of goods and services

Donated goods are recognised as income when the economic benefit from their use by the charity can be measured reliably. Items donated for sale in the organisation's charity shops, or for use as raffle prizes or for auctioning at fundraising events, are recognised as income when they are sold or income is generated from them rather than when they are received, as explained further in Note 1 (o). The principle donated goods recognised in these financial statements is the provision of free drugs and medical supplies by local pharmacies or the local NHS hospital. The value included in the accounts is the amount the charity would have paid to obtain supplies of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt. The charity receives no donated services other than the time generously given by its volunteers, for which no value is included in the financial statements in accordance with the *Charities SORP FRS 102*.

(g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably.

(h) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the expenditure incurred in inducing third parties to make voluntary contributions to the charity, as well as the cost of activities whose primary purpose is fundraising.
- Expenditure on charitable activities includes all costs of delivering hospice care services, undertaken to further the purposes of the charity, together with the associated direct support costs.
- Costs of trading activities relate to expenditure on raising funds by means of charity shops, weekly draws, scratchcards and challenge-style fundraising events

Irrecoverable VAT is charged as a cost against the activities for which the underlying expenditure was incurred. Since 1 April 2015, irrecoverable VAT has been minimised as a result of the introduction of Section 33 VAT relief for palliative care charities, under which the charity is able to recover VAT relating to its core care services and on some fundraising costs, in addition to a proportion of the VAT incurred on corporate overheads.

(i) Pensions

A number of the group's employees contribute to either defined contribution or Group Personal Pension Schemes in which the employers participate, or to the NHS pension scheme. Further details are set out in Note 9. The group's contributions to these schemes are charged to the Statement of Financial Activities when they fall due.

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies (continued)

(j) Allocation of support and governance costs

Resources expended are allocated to the appropriate activities under the headings identified in (h) above, with spend on charitable activities being sub-divided between the four main areas of the charitable company's care services as defined on page 7. The cost of overall direction and administration of the charity, comprising the salary and overhead costs of the executives, finance and human resources functions, is apportioned to the charitable activities, activities for raising funds and trading activities as set out in the analysis of expenditure note (Note 12). The apportionment is based on an estimation of the relative use of these central overhead resources by the respective activities. Costs incurred in the governance of the charity and its subsidiary companies, which result primarily from constitutional and statutory requirements, are apportioned to key activities on a similar basis.

(k) Operating leases

Annual rentals, net of all aggregated lease inducements where applicable, are charged to the profit and loss account on a straight-line basis over the whole term of the lease.

(l) Tangible fixed assets and depreciation

Items of equipment or other assets of an enduring nature are capitalised where the purchase price, individually or as part of a single project, exceeds £5,000.

Depreciation charges commence when an asset is brought into use, and are spread evenly at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. Depreciation is applied to all fixed assets except freehold land, and is calculated at the following rates:

Freehold buildings	- over 25 to 100 years as appropriate
Premiums paid on short leaseholds	- over the term of the lease
Fixtures and fittings, furniture, equipment and shop-fit costs	- over 7 years or over useful life if shorter
Motor vehicles	- over 4 years
Computer hardware and software	- over 3 years or over useful life if longer

Assets are reviewed for impairment if circumstances indicate that their carrying value may exceed their net realisable value and value in use.

Tangible fixed assets include 'assets under construction', which relate to the accumulated property development and land purchase costs incurred in the project to build a new adult hospice, including the related site search, design and planning costs, all of which have been capitalised. Assets under construction are not depreciated until the asset is brought into use.

(m) Investments

Listed investments are a form of basic financial instrument, which are initially recognised in the financial statements at their transaction value and subsequently measured at their fair value as at the balance sheet date, using the closing quoted market price. Any change in fair value which results from this is recognised in the statement of financial activities. **Investments in subsidiary undertakings** are stated at cost in the charity's accounts, and are eliminated as a consolidation adjustment in the group financial statements.

(n) Cash investments, and cash at bank and in hand

Cash deposits held as investments for the longer term (more than two years) are classified as fixed asset investments, whereas deposits held for more than three months but less than two years, and which are not part of the day to day cash balances of the charitable company or its subsidiaries, are classified as current asset investments. Cash at bank and in hand includes cash in current accounts or with deposits maturing in three months or less from the date of acquisition. Cash balances do not include any funds held on behalf of service users.

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

1. Accounting policies (continued)

(o) Stocks

Stocks of donated items for resale in the charity shops are not valued, as the trustees consider that it is impractical to apply a value to these items and that the costs of attempting to do so would outweigh any benefits. Consequently, the stock value carried in the group's balance sheet relates entirely to bought-in goods not yet sold by Havens Hospices Trading Company. These stocks are valued at the lower of cost and net realisable value, with cost value based on purchase prices - including any invoiced delivery or packaging cost - on a first in, first out basis. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for costs of sale. Provision is made where necessary for obsolete, slow moving or defective stocks.

(p) Creditors and provisions

Creditors and provisions are recognised where the charity or its subsidiaries have a present obligation resulting from a past event that will probably result in the transfer of funds to a third party, and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due. The charity and its subsidiary undertakings only have financial assets and liabilities of a kind that qualify as basic financial instruments.

(q) Funds

Restricted funds are those where the purpose for use has been restricted by the givers. Expenditure which meets the relevant criteria is charged to the appropriate restricted funds.

Designated funds are unrestricted funds set aside by the trustees for specific purposes.

Unrestricted funds are monies which can be used for any of the charitable company's operations at the trustees' discretion.

Transfers between funds are carried out in order to:

- i) designate funds to reflect the carrying value of fixed assets, including the value of assets under construction for the new adult hospice, to recognise that these are not freely expendable reserves
- ii) designate funds for other specified purposes
- iii) recognise that restrictions placed on capital grants have been satisfied by their expenditure, or
- iv) cover any deficiency in restricted funds.

(r) Taxation

The charitable company is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes. Available taxable profits arising in the subsidiary companies are donated to the parent charity under gift aid.

2. Income from donations and legacies

	Capital restricted £000's	Other restricted £000's	Unrestricted £000's	2016 Total £000's	2015 Total £000's
Donations and voluntary income	962	370	2,547	3,879	3,704
Legacies	-	1,047	132	1,179	1,323
	962	1,417	2,679	5,058	5,027

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

2. Income from donations and legacies (continued)

Donations and voluntary income for "capital restricted" purposes relates to the capital appeal for new *Fair Havens*, and result primarily from a £553,000 gift from the Ivan Heath Trust (2015: £1,000,000) which is restricted to the development of the new adult hospice. "Other restricted voluntary income" is split as follows:

	Donations £000's	Legacies £000's	2016 Total £000's	2015 Total £000's
Adult hospice	118	457	575	164
Adult community services	61	3	64	134
Children's hospice	191	587	778	795
	370	1,047	1,417	1,093

Legacy income includes accruals for bequests where the charity has been notified of its entitlement, probate has been granted, distribution is expected within twelve months and estate accounts have been provided, enabling the charity to measure the value of its entitlement reliably. The charity has reviewed the legacy entitlements notified to it and has accrued £507,000 in line with this criteria. In 2015, under the previous method of estimation, £536,000 was accrued and £175,000 not accrued on grounds of prudence, to allow for the risk of falling property and stock markets, higher than expected estate tax liabilities, or inaccuracies in the initial projections of estate values notified to the charity. An equivalent provision has not been made at March 2016, due to the change in the charity's estimation method resulting from the move to SORP FRS 102. A total of £76,000 of legacy pipeline which does not meet the new estimation criteria is, however, treated by the charity as a contingent asset at March 2016 (see Note 29). £22,000 of legacy accrual made at the previous year end remained outstanding at 31 March 2016 (2015: £256,000).

3. Income from charitable activities

	Restricted £000's	Unrestricted £000's	2016 Total £000's	2015 Total £000's
Adult hospice:				
South East Essex CCGs *	-	768	768	737
Adult community services:				
South East Essex CCGs *	-	347	347	297
Children's hospice:				
South East Essex CCGs **	-	102	102	102
NHS England revenue funding (see Note 26)	363	-	363	363
	363	102	465	465
Children's community services:				
No income received by the charity directly	-	-	-	-
Total income from charitable activities	363	1,217	1,580	1,499

* Grant funding from NHS Clinical Commissioning Groups, mostly Southend and Castle Point & Rochford CCGs, £411,000 of the latter being co-funded by the Better Care Fund administered by Essex County Council (2015: £nil), plus £50,000 CHC fast track funding from Castle Point & Rochford CCG (2015: £nil)

** Grant funding from NHS Clinical Commissioning Groups, notably Southend CCG, Castle Point & Rochford CCG, Basildon & Brentwood CCG and Thurrock CCG

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

4. Income from trading activities

	Restricted £000's	Unrestricted £000's	2016 Total £000's	2015 Total £000's
Charity shops	745	1,508	2,253	2,238
Challenge fundraising events	-	357	357	364
Weekly draw subscriptions	-	949	949	937
	745	2,814	3,559	3,539

5. Income from investments

	Capital restricted £000's	Other restricted £000's	Unrestricted £000's	2016 Total £000's	2015 Total £000's
Dividends and portfolio income	-	-	31	31	23
Interest on cash investments	10	-	10	20	15
Interest on cash or equivalents	7	-	5	12	19
Rental income	-	8	-	8	7
	17	8	46	71	64

6. Net income / (expenditure) for the year

		2016 £000's	2015 £000's
This is stated after charging / (crediting):			
Depreciation		235	188
Auditors' remuneration:	Audit	20	20
	Other services	1	1
Operating lease rentals:	Land and buildings	(see Note 27)	380
	Printers and copiers	(see Note 27)	9
	Motor vehicles	(see Note 27)	13
Donations from trustees		(see Note 10)	(13)
Donations from key management personnel		(see Note 10)	(1)

7. Analysis of staff costs, trustee remuneration & expenses, and cost of key management personnel

	2016 £000's	2015 £000's
Staff costs incurred during the year were as follows:		
Salaries and wages	5,299	5,237
National insurance	411	413
Employer's contributions to pension schemes (see Note 9)	546	531
Redundancy and termination costs	8	6
Payroll related costs	6,264	6,187
Other staff costs	86	85
	6,350	6,272

No trustees received pay or other benefits from the charity in the year (2015: £nil), and no trustees received payment for professional or other services supplied to the charity (2015: £nil). Three trustees claimed expenses for attending to charity business during the year, the total value of which was £533 (2015: three trustees claimed £346 in aggregate). The value of expenses waived by trustees was not material in either year. The charity paid £1,824 of premiums in the year for trustee indemnity insurance (2015: £2,067).

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

7. Analysis of staff costs, trustee remuneration & expenses, and cost of key management personnel (continued)

The following number of employees received total remuneration during the year, excluding employer's pension and National Insurance contributions, in the stated value bands:

	2016 No.	2015 No.
£60,001 - £69,999	2	2
£70,000 - £79,999	1	1

The total employee benefits, including National Insurance and pension contributions, of the key management personnel in 2016 were £498,000 (2015: £477,000). One member of key management, Mr T Johnson (Director of HR and Trading, who is employed by Havens Hospices Trading Ltd), received an interest free loan of £3,500 in the year (2015: £1,000) of which £3,208 remained outstanding at the year end (2015: £666).

8. Staff numbers

	Headcount		Full time equivalent	
	2016 No.	2015 No.	2016 No.	2015 No.
Adult hospice	69	70	54.9	55.8
Adult community services	25	21	18.7	16.3
Children's hospice	55	60	44.9	48.4
Activities for raising income	33	32	26.5	25.6
Trading activities	55	47	46.0	40.6
Support and governance activities	24	24	22.0	21.7
	<hr/> 261	<hr/> 254	<hr/> 213.0	<hr/> 208.4

No staff are employed in children's community hospice services, which are commissioned from a community interest company trading as *Provide* as described on page 5 of the trustees' annual report.

9. Pensions and benefits

Group companies contribute to a group personal pension scheme operated by Scottish Widows, and a defined contribution personal pension scheme operated by Winterthur Life, the assets of which are both held separately from those of the group in independently administered funds. Employee members of the Scottish Widows scheme have an option to commit to taking a salary sacrifice that is equivalent to the amount of their chosen personal contribution.

The charity also contributes to the NHS Pension Scheme, an unfunded final salary scheme under which contributions for employees and employers are paid to the Exchequer, which in turn meets the cost of benefits as and when they fall due. To assess an appropriate contribution rate, historically there has been an associated notional fund of assets deemed to be invested in UK Government stocks. The scheme is open to all NHS employees and eligible employees of other approved organisations, of which the charity is one such approved participating employer. Every four years, the Government Actuary conducts a full review of contribution rates. The review carried out as at March 2012 concluded (a) that the employer contribution rate from April 2014 would be 14.3% of pensionable pay, to be reassessed at the actuarial valuation carried out for March 2016, and (b) that the notional fund value at March 2012 stood at £230 billion, with scheme liabilities of £240 billion, producing a net deficit for the scheme of £10 billion. The increase in employer contribution was introduced to help reduce this notional deficit.

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

9. Pensions and benefits (continued)

Employees participating in the NHS scheme contribute on a tiered scale from 5% to 14.5% of their pensionable pay. The charity has no further liability arising from its participation in this scheme, over and above its employer contributions.

The combined contributions payable by the group into all pension schemes for the year amounted to £550,000 (2015: £531,000). Contributions of £37,000 (2015: £40,000) were outstanding at the year end and are included in creditors.

In addition, the group contributes to an employee life assurance scheme, for which the contributions payable were £28,000 (2015: £24,000).

10. Related party transactions

Other than the related party transactions disclosed in Note 6 (donations from trustees and their related parties, and donations from key management personnel and their related parties), and also the transactions disclosed in Note 7 (payments to employee pension schemes and employment benefits paid to key management personnel and to their related parties), there were no other related party transactions requiring disclosure (2015: £nil).

All of the disclosed transactions with related parties were made within the normal course of business, including any restrictions applied to donations which were restricted to purposes which were already part of the charity's approved business plan.

The charitable company has taken advantage of the exemptions conferred by financial reporting standard *FRS 102* not to disclose transactions between the charity and its wholly owned subsidiaries.

11. Taxation

The charitable company is exempt from corporation tax as all of its income is charitable and is applied for charitable purposes.

Available taxable profits in the subsidiaries are donated to the parent charity under gift aid. As a result of this, or due to taxable losses incurred, there were no profits chargeable to corporation tax in either subsidiary company in 2016 or 2015.

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

	12. Analysis of expenditure		Costs of trading activities		Adult hospice		Children's hospice		Adult community services		Children's community services		Support costs		Governance costs		2016 Total £'000's		2015 Total £'000's	
	Costs of raising income £'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's	£'000's		
Staff costs (Note 7)	718	990	1,682	1,415																
Non-staff costs:																				
Trading premises																				
Facilities, IT, property, catering																				
Community hospice																				
Weekly draw																				
Fundraising																				
Medical consultancy																				
Other trading																				
EPIC (children's short breaks)																				
Depreciation																				
Events																				
In-patient care																				
General support and governance																				
Education and training																				
Insurance and life assurance																				
Daycare / bereavement support																				
Governance of trading subsidiary																				
Total costs of activities	1,153	2,108	2,100	1,877																
Support costs	178	73	363	289																
Governance costs	12	9	24	19																
Total expenditure 2016	1,343	2,190	2,487	2,185																
Total costs of activities 2015	1,131	1,980	2,181	2,009																
Support costs 2015	173	85	342	288																
Governance costs 2015	12	10	23	20																
Total expenditure 2015	1,316	2,075	2,546	2,317																

Of total expenditure, £6,909,000 was unrestricted (2015: £5,818,000), and £2,506,000 restricted (2015: £3,697,000). Restricted costs included £83,000 of capital appeal costs for New Fair Havens (2015: £95,000).

Support costs cover central service functions which have been allocated to the main activities of the charity on a basis deemed consistent with the use of those resources. In accordance with the requirements of *Charities SORP FRS 102*, governance costs are also apportioned across the organisation's principle activities on a similar basis. The (£6,000 of governance costs attributed to the trading subsidiary, Havens Hospices Trading Ltd, are its own (2015: £6,000).

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

13. Tangible fixed assets

For the group:

	Freehold land & property £000's	Assets under construction £000's	Furnishings, fittings, computers & equipment £000's	Motor vehicles £000's	Total £000's
<u>Cost</u>					
At 1 April 2015	4,704	1,747	761	91	7,303
Additions in year	1,796	62	311	-	2,169
Disposals in year	-	-	-	(10)	(10)
At 31 March 2016	6,500	1,809	1,072	81	9,462
<u>Depreciation</u>					
At 1 April 2015	925	-	270	76	1,271
Charge for the year	64	-	159	12	235
Eliminated on disposal	-	-	-	(10)	(10)
At 31 March 2016	989	-	429	78	1,496
<u>Net Book Value</u>					
At 31 March 2016	5,511	1,809	643	3	7,966
At 31 March 2015	3,779	1,747	491	15	6,032

For the charity:

	Freehold land & property £000's	Assets under construction £000's	Furnishings, fittings, computers & equipment £000's	Motor vehicles £000's	Total £000's
<u>Cost</u>					
At 1 April 2015	4,704	1,791	605	75	7,175
Additions in year	1,796	64	93	-	1,953
Disposals in year	-	-	-	(10)	(10)
At 31 March 2016	6,500	1,855	698	65	9,118
<u>Depreciation</u>					
At 1 April 2015	925	-	244	60	1,229
Charge for the year	64	-	115	12	191
Eliminated on disposal	-	-	-	(10)	(10)
At 31 March 2016	989	-	359	62	1,410
<u>Net Book Value</u>					
At 31 March 2016	5,511	1,855	339	3	7,708
At 31 March 2015	3,779	1,791	361	15	5,946

All of the above assets are used for charitable purposes, or for trading purposes the objective of which is to generate profits to fund the core work of the charity.

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

13. Tangible fixed assets (continued)

Freehold property includes the original purchase cost of 124/126 Chalkwell Avenue at a valuation of £400,000 carried out by N Deacon FRICS, an independent surveyor, in 1991, on an existing open market basis. The group has taken advantage of the transitional provisions of financial reporting standard *FRS 102* to retain the existing book values, including those of its unimpaired tangible fixed assets which were previously stated at valuation. All refurbishment costs or new building purchases since that date are included at cost. Freehold land and property includes an amount of £2,046,000 (2015: £250,000) relating to freehold land, which is not depreciated.

"Assets under construction" reflects professional design and planning fees in connection with the ongoing project to build the new adult hospice. The group balance for assets under construction is less than that for the charity due to intra-group profits of £45,000 arising to date on the invoicing of work on the new adult hospice by Havens Development Company to Havens Hospices. In its own accounts, the charity has capitalised the full invoiced value of work in progress relating to the construction project, but the element of intragroup profit of £45,000 has been removed in the consolidated group accounts (2015: £44,000).

14. Listed investments

Listed investments comprise:

	The group		The charity	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Market value at the start of the year	1,180	633	1,180	633
Additions during the year at cost	250	500	250	500
Dividends reinvested less management fees	(11)	(2)	(11)	(2)
Unrealised (loss) / gain on revaluation	(23)	49	(23)	49
Market value at the end of the year	<u>1,396</u>	<u>1,180</u>	<u>1,396</u>	<u>1,180</u>
Historic cost at the end of the year	<u>1,270</u>	<u>1,031</u>	<u>1,270</u>	<u>1,031</u>

All listed investments are held in the United Kingdom and are valued at mid-market value. The charity's two portfolios are under the management of Investec Wealth & Investment, and are held and managed in a number of pooled funds and unit trusts. Consequently, details of individual investments are not disclosed here. No investments in individual company shares represented over 5% of the total value of the portfolios. Cash balances within the portfolios at the end of the year was being held as an asset class as part of the agreed investment ranges, rather than being held by Investec pending reinvestment. Prior to 2015, dividends earned were reinvested in the portfolio after management fees had been deducted, but during 2015 this was changed and gross income is now paid directly to the charity. The fair value reserve for unrealised gains on investments is the difference between their market value and historic cost, which at 31 March 2016 was £126,000 (2015: £149,000).

15. Investments in subsidiary undertakings

	The group		The charity	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Cost of investment in subsidiary undertakings incorporated in the UK	-	-	75	75

The investments in subsidiary companies represent 100% of the issued share capital of:

Havens Hospice Trading Company Limited: £75,100

Havens Development Company Limited: £1

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

16. Subsidiary undertakings' summarised results

The charitable company has two wholly owned and active subsidiary companies registered in England, Havens Hospices Trading Company Limited (HHT) and Havens Development Company Limited (HDCL). The registered office of both companies is that of the parent charity.

HHT's principal purpose is to generate income for the benefit of the hospices from the sale primarily of donated goods. Its financial results are consolidated line by line in the Statement of Financial Activities.

HDCL was established to undertake the project of building the *new Fair Havens* adult hospice facility. All work incurred by HDCL in the planning, design and work-in-progress for constructing the new hospice is invoiced to the charity in full periodically, and capitalised in the charity's accounts.

Available profits from either subsidiary are gift aided to the parent charitable company (see Note 11).

Summary results of the subsidiary undertakings:

	HHT £000's	HDCL £000's	2016 £000's	2015 £000's
Gross turnover	2,558	64	2,622	2,802
Gift aided sales transferred to charity as donations	(620)	-	(620)	(845)
Net turnover	1,938	64	2,002	1,957
Cost of sales	(123)	(62)	(185)	(393)
Gross profit	1,815	2	1,817	1,564
Other operating income	8	-	8	9
Administrative expenses	(1,805)	-	(1,805)	(1,549)
Operating profit	18	2	20	24
Gift aided donations made to parent undertaking	-	(2)	(2)	(7)
Profit for the financial year	18	-	18	17

The aggregate of the assets, liabilities and funds was:

Assets	566	4	570	368
Liabilities	(332)	(4)	(336)	(152)
Funds	234	-	234	216

17. Parent charity's summarised results

The parent charity's gross income and the results for the year were:

	2016 £000's	2015 £000's
Gross income	8,941	9,099
Result for the year	892	728

18. Stocks

	The group		The charity	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Bought-in goods for resale by trading company	111	68	-	-

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

19. Debtors

	The group		The charity	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Legacies receivable	529	792	529	792
Amounts due from subsidiaries	-	-	224	50
Prepaid expenses	228	226	95	125
Other debtors	56	81	56	77
VAT recoverable	51	17	48	-
Trade debtors	1	2	1	2
	865	1,118	953	1,046

20. Current investment cash deposits comprise:

	The group		The charity	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Bank and building society deposits	1,645	2,105	1,645	2,105
Royal London Asset Management Cash Plus Fund	999	1,000	999	1,000
	2,644	3,105	2,644	3,105

Short term deposits and investments are held to provide a return on short term cash. These are held in pooled funds or in deposits of varying maturity dates of more than three but less than 24 months.

21. Creditors: amounts due within one year

	The group		The charity	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Deferred income (see Note 22)	257	272	256	272
Accrued expenses	145	187	117	161
Trade creditors	119	91	63	68
Taxation and social security creditors	106	106	106	106
Pension creditors	37	40	37	40
Amounts due to subsidiaries	-	-	2	3
	664	696	581	650

22. Deferred income

	The group		The charity	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Balance at the beginning of the year	272	309	272	309
Amount released to income in the year	(272)	(308)	(272)	(308)
Amount deferred in the year	257	271	256	271
Balance at the end of the year	257	272	256	272

Deferred income comprises monies raised in respect of future fundraising activities which take place or fall due in the following accounting year. The income primarily relates to events such as the London Marathon and receipts in advance for future weekly draws (hospice lottery).

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

23. Provisions for liabilities and charges

	The group		The charity	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Balance at the beginning of the year	86	86	58	58
Released, utilised or transferred during the year	(58)	-	(58)	-
Provisions created during the year	2	-	2	-
Balance at the end of the year	30	86	2	58

Provisions relate primarily to potential dilapidations of shops and to utility costs. £50,000 of provisions relating to utility costs were released during the year, in agreement with the relevant suppliers, and a further £8,000 transferred to accruals (2015: £nil).

24. Analysis of group net assets between funds

	Restricted funds £000's	Designated funds £000's	General funds £000's	Total funds £000's
Tangible fixed assets	-	7,966	-	7,966
Listed investments	-	-	1,396	1,396
Cash investments	2,026	500	118	2,644
Cash in hand and at bank	222	1,250	467	1,939
Other net current assets	-	-	282	282
Net assets at end of year	2,248	9,716	2,263	14,227

25. Purpose of restricted and designated funds

a) Purpose of restricted funds:

New Fair Havens (NFH) - capital appeal

The capital appeal fund represents voluntary income received towards the costs of the project to build a new adult hospice to replace the existing Fair Havens building. Donations to this fund have included £3,553,000 from the Ivan Heath Trust to date, £1,796,000 of which was used during 2016 to purchase land on which to construct the new hospice, in accordance with the wishes of the donor.

Fair Havens - other / Little Havens - other

These represent funds restricted to use within the existing adult or children's hospice respectively. As the day to day operating costs of the hospices generally exceed the value of these restricted gifts, the balance at each year end represents just those funds which are restricted to specific purposes within the adult or children's hospice which have not been spent at 31 March.

Little Havens - NHS England revenue grant

This represents funding received annually from NHS England's transitional grant which replaces the former Section 64 grant for children's hospices, pending finalisation and implementation of a proposed new palliative care currency and associated tariff. The income is restricted and can not be used to finance fundraising activities. The grant is spent out each year on the specified purpose of providing hospice services to children in the Essex community.

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

25. Purpose of restricted and designated funds (continued)

Little Havens - Martha McGilda trust

This gift from a trust was initially restricted to maritime-related activities, but this was subsequently widened, with the consent of the donor, to apply to all children's activities.

b) Purpose of designated funds:

Designated funds consist primarily of the fixed assets reserve, which is updated at each year end to reflect movements in asset values by transferring the appropriate increases or reductions from general reserves or, where appropriate, from the appropriate restricted funds. This fund includes £1,810,000 incurred to date as work in progress on the project to build a new adult hospice (2015: £1,747,000). An additional reserve of £1,000,000 was designated in 2014, and increased by £750,000 in 2016 (2015: £nil), to pump prime the future launch of the public phase of the *new Fair Havens* capital appeal. The designated funds do not form part of the charity's free reserves.

26. Movement in funds

	At the start of the year £000's	Incoming resources and gains £000's	Outgoing resources £000's	Transfers £000's	At the end of the year £000's
Restricted funds:					
<i>Fair Havens adult hospice</i>					
Capital appeal - new Fair Havens	2,926	979	(83)	(1,796)	2,026
Other	12	633	(611)	-	34
	2,938	1,612	(694)	(1,796)	2,060
<i>Little Havens children's hospice</i>					
NHS England revenue grant	-	363	(363)	-	-
Martha McGilda trust	53	-	(12)	-	41
Other	87	1,527	(1,437)	(40)	137
	140	1,890	(1,812)	(40)	178
<i>Restricted funds for either hospice</i>	-	10	-	-	10
Total restricted funds	3,078	3,512	(2,506)	(1,836)	2,248
Unrestricted funds:					
Designated funds:					
Fixed assets reserve	6,032	-	-	1,934	7,966
New adult hospice appeal reserve	1,000	-	-	750	1,750
Total designated funds	7,032	-	-	2,684	9,716
General funds	3,208	6,836	(6,933)	(848)	2,263
Total unrestricted funds	10,240	6,836	(6,933)	1,836	11,979
Total funds	13,318	10,348	(9,439)	-	14,227

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

27. Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and property		Motor vehicles, printers and photocopiers	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Total minimum leases payments falling due:				
In the year following the balance sheet date	408	321	16	10
In years two to five	983	926	32	34
From year five until end of commitment	88	190	-	-
	1,479	1,437	48	44

The charity's total future minimum lease payments under non-cancellable operating leases are as follows:

	Land and property		Motor vehicles, printers and photocopiers	
	2016 £000's	2015 £000's	2016 £000's	2015 £000's
Total minimum leases payments falling due:				
In the year following the balance sheet date	408	321	10	9
In years two to five	983	926	24	34
From year five until end of commitment	88	190	-	-
	1,479	1,437	34	43

The commitments relating to land and property result from rental of shop premises which are subject to non-cancellable operating leases held in the name of the charity. These are licensed by the charity to Havens Hospices Trading Ltd, which occupies the premises for the purpose of operating charity shops. The minimum lease payments computed for the purpose of this Note have been calculated to the earliest of the lease expiry date or next tenant's break clause date.

FRS 102 requires that operating lease incentives such as rent free periods or contributions to fitting out costs should be spread over the full lease period. The charity and its subsidiary company Havens Hospices Trading Ltd have taken advantage of the exemption granted by FRS 102 for existing leases at the transition date (ie: the transition from previous *Generally Accepted Accounting Principles - UK GAAP*) of 1 April 2014, to continue to recognise lease incentives on the former basis. The trustees, and the directors of the trading company, have considered whether a prior year adjustment is required to the March 2015 financial statements to reflect the effect of this change on leases commencing after 1 April 2014, and have determined that the impact was not material. Consequently, no such prior year adjustment has been made, but the requirements of FRS 102 in respect of operating lease incentives are being followed for all such leases acquired after 31 March 2015.

28. Capital commitments

At the end of the year, the group had committed to £35,000 (2015: £42,000) in respect of fitting out costs relating to charity shop premises, and £100,000 (2015: £nil) for professional fees relating to ongoing design work for the new adult hospice. The expenditure on shop fitting was approved but not yet contracted for, and the design fees were both approved and contracted.

Havens Christian Hospice

Notes to the financial statements

For the year ended 31 March 2016

29. Contingent assets or liabilities

In accordance with Note 1(e) (*accounting policies - incoming resources*), and as set out in Note 2 (*income from donations and legacies*), the charity considered it had contingent assets totalling £76,000 at 31 March 2016 (2015: £175,000), relating to the value of legacy income pipeline which did not meet the criteria under *Charities SORP FRS 102* for accrual. The trustees were not aware of any other contingent assets or of any contingent liabilities within the group (2015: £nil).

30. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The 47 members of the charitable company at 31 March 2016 (2015: 50) include the trustees, as named on page 2. The liability of each member in the event of winding up is limited to £1.