

**THE KILBRYDE HOSPICE**

**ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2017**

**Company Registration No. SC224366 (Scotland)  
Charity Registration No. SC032424 (Scotland)**

# THE KILBRYDE HOSPICE

## LEGAL AND ADMINISTRATIVE INFORMATION

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<b>Directors</b>	Dr John Richards Mr Ian Stewart Mr Dennis Gallagher Mr Gordon McHugh Lady Susan Haughey Mr Adam Ingram Mrs Gretta McGuinness Dr Hosney Yosef Mrs Christine Sherry Mr Joe Lowe Mr Michael Graham Mrs Fiona McKee	(Appointed 30 June 2017)
<b>Secretary</b>	Dr John Richards	
<b>Charity number</b>	SC032424	
<b>Company number</b>	SC224366	
<b>Principal address</b>	McGuinness Way Hairmyres East Kilbride Lanarkshire G75 8RG	
<b>Registered office</b>	McGuinness Way Hairmyres East Kilbride Lanarkshire G75 8RG	
<b>Auditor</b>	William Duncan + Co 30 Miller Road Ayr Ayrshire KA7 2AY	
<b>Bankers</b>	Royal Bank of Scotland East Kilbride Branch 24/25 Princes Square East Kilbride G74 1LJ	
<b>Solicitors</b>	MacRoberts Capella Building (10th Floor) 60 York Street Glasgow G2 8JX	

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# THE KILBRYDE HOSPICE

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# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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The directors present their report and accounts for the year ended 31 March 2017.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the Kilbryde Hospice's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

### **Objectives and activities**

The Kilbryde Hospice charity was established in October 2001 with the principal aim of the provision of palliative care for those in Lanarkshire suffering from life-threatening and end-of-life illnesses.

Our primary aim is to provide specialist palliative care to adults who have a progressive life limiting illness. Specialist palliative care is defined as providing management of pain and psychological, social, spiritual support to those with a progressive, life limiting illness. It helps them to live their life to the full and includes the supports of their families and friend both during their illness and into bereavement.

The company has been granted charitable status in Scotland by the Inland Revenue and is fully recognised as a charity by the Office of the Scottish Charity Regulator (OSCR).

For the initial seven years of our existence the charity operated as an appeal fund to generate sufficient capital and revenue to begin providing palliative care services in the area.

In April 2007, the Directors signed a Heads of Agreement with NHS Lanarkshire to work together to provide palliative care beds in South Lanarkshire.

In April 2008, Kilbryde Hospice opened a palliative care Drop-in Centre in East Kilbride's Red Deer Centre, jointly funded with NHS Lanarkshire, the first stage in providing palliative care services for the people of South Lanarkshire.

In December 2009, the NHS Lanarkshire Board agreed in principle to the allocation of a two-acre site to the rear of Hairmyres Hospital for the construction of a Hospice dependant on approval of the Kilbryde Hospice Business Case.

The NHS Lanarkshire Board formally approved the Kilbryde Hospice Business Case in November 2010.

The Kilbryde Hospice Directors consulted with other palliative care providers across Scotland to identify best practice in Hospice design and service delivery.

On the basis of this research, we concluded that the new Hospice should have three key roles in the enhancement of palliative care across Lanarkshire.

1. to provide an enhanced day care service for patients and carers with a wide range of treatments, services and support.
2. to develop in-community services to augment the day care facility, by providing support services in the home for individuals unable to travel to the hospice.
3. to establish an in-patient, specialist palliative care facility to augment the service currently provided in Lanarkshire by St Andrews Hospice.

# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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Following on from our consultation and research the Directors appointed The Kerr Practice as the architects to develop our concept designs. Their designs were submitted to the planning authorities in February 2012 and planning permission was granted on the designs in March 2012.

A contract build tendering process was conducted and CCG (Scotland) Ltd were appointed as the main contractor for the hospice build. The build started in August 2013 and was completed at the end of 2014.

The Kilbryde Hospice Board were proud to announce the completion of our primary objective in January 2015 with the opening of our £4 million, 12 bedded state of the art Hospice facility on our Hairmyres site in East Kilbride.

### Ongoing Objectives

The integration of health and social care was introduced to South Lanarkshire in April 2016 delivering a change from central direction to that of local leadership, which is vital for finding new ways of organising care and support for people. Fundamental to any commissioning plan for end of life care should be a local strategy, jointly developed with local people and key partners such as Kilbryde Hospice setting out vision for end of life care whether in Kilbryde Hospice in-patient unit or in people's own home or homely environment. Kilbryde Hospice has openly and transparently communicated its commitment to partner all organisations to the benefit of the Health and Social Care partnership within South Lanarkshire. The hospice's passion to provide a person centred multi-disciplinary approach to palliative care patients meets the needs of the four localities within South Lanarkshire and has offered to be a partnership hub to allow this approach to be localised.

We have close links with the Health Care Partnership and the Integrated Joint Board for Health and Social Care in South Lanarkshire who currently commission our services.

Directors and Kilbryde Hospice Senior Management Team continue to meet with lead officers from NHSL, South Lanarkshire Integrated Joint Board, MP's and MSP's along with St Andrew's Hospice to continue discussions around palliative care in Lanarkshire. In keeping with the desire to integrate services in South Lanarkshire, Kilbryde Hospice aims to access, equity and consistency of care delivered to people and their families with a life-limiting illness.

### Kilbryde Hospice Objectives:

- Kilbryde Hospice endeavours to integrate care across community and acute services to support people with long term conditions malignant and non-malignant disease.
- Has the ability to consider people and their families holistically and empower them to live as independent a life as possible.
- Collaborate with existing services and coordinate care to people ensuring the right person at the right time in the place where people want to be.
- Improve end of life care experience for people with long term conditions approaching the end of life.
- Improve support and education of carers for people at the end of life.
- Have the ability to provide a flexible service.

# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### **Achievements and performance**

During the course of this year we formalised our clinical model and have developed our internal processes required to support the implementation of this strategic aim.

We have developed a number of working groups that have progressed stability around Clinical Governance, Information Governance, Health and Safety and Financial Governance. The groups have consisted of Board Members, staff and volunteers that have brought a skill set with them that has been paramount in enabling these groups to work effectively and produce the required policies and procedures that are of critical importance to Kilbryde Hospice.

In addition, our fundraising activities have been focused on increasing our reserves in advance of planned increases in income required in 2017-18 as we move closer than ever to the full implementation of in-patient palliative care services.

The Board appointed Gordon McHugh as our Chief Executive in April 2015. Gordon has been working on a part-time basis to implement our strategic plans and be fully immersed in progressing Kilbryde Hospice from a campaign to a recognised service provider within Lanarkshire.

The Chief Executive along with the Clinical Services Manager have been fully involved in a short-life working group with a number of stakeholders including St Andrew's Hospice and the Health and Social Care Partnership to seek to ensure a consistent Lanarkshire-wide clinical and care model to meet the palliative care needs of all patients.

During the course of the year there has been a focus on developing the facilities within the Hospice to support the existing Day Service and Care @ Home and prepare for the implementation of the In-Patient facility in line with Healthcare Improvement Scotland and H&SCP recommendations.

The Clinical Governance Group, chaired by Director Dr John Richards MBE, is a key group which ensures our clinical services meet the robust standards required of us by Healthcare Improvement Scotland. The group meets monthly and benefits from the involvement of members of the Board and local health care professionals. This group will be key during the implementation of our in-patient unit as we progress to full registration with Healthcare Improvement Scotland.

One of our major highlights of the year was welcoming First Minister Nicola Sturgeon MSP on the 16th September to officially open the Hospice. This event allowed us to recognise our many volunteers across all age groups, our staff, the patients and families we serve to enjoy a day of celebration.

# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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There have been significant developments in each of our operational areas and these are detailed below:

### **Clinical Services**

#### **Our Philosophy**

- To provide specialist palliative care for patients with a life-limiting illness.
- To demonstrate concern for the holistic care of the patient offering support not only to the patient, but also those who care for them, both during illness and into bereavement.
- To liaise and communicate effectively with all involved with the patient ensuring an integrated seamless service is provided.
- To value the dignity and individuality of all patients and their rights to self determination.
- To work towards providing a flexible approach to care, wherever possible in a manner and in their place of choice.
- To make a commitment towards team work bringing together the skills of an multi-disciplinary team to meet the highest possible standards addressing the patients physical, psychological, social and spiritual needs, thereby enhancing the quality of life for the patient, and supporting those who care for them.
- To commit to education and training opportunities for all staff in order to develop expertise, commitment, specialism and the sharing of knowledge throughout our locality.
- To develop Kilbryde Hospice as an education, training and resource unit offering placements to students from all disciplines.
- To ensure the quality and standard of service is of a consistently high level, undertaking regular audit and responding to changing needs.
- To provide the most effective care in the most cost efficient manner.
- To be respected by health professionals for the quality of our service.
- To be respected by the public for our open and honest approach and for our dedication to the highest possible standards of care.

# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### **Kilbryde Hospice Mission Statement**

Kilbryde Hospice is a voluntary independent hospice which exists to provide specialist palliative care to patients with life limiting progressive illnesses, and to their relatives and carers. Services provided by Kilbryde Hospice are available to those people with palliative care needs. The service is provided free and does not discriminate on the basis of race, colour, creed, national origin, disability, sexual orientation, age or financial means. Access to treatment or employment in its programmes aims to complement the overall provision of palliative care within the community.

Our aims and objectives-

- Our aim is to improve the lives of people who have an life-limiting progressive illness .
- Kilbryde Hospice places a high value on dignity, respect, and the wishes of the person who is ill, and aims to look after all their needs.
- Kilbryde Hospice aims to provide an environment for holistic care to enhance quality of life including the relief of pain and distress, whether physical, emotional, psychological, spiritual or social.
- Care also extends to those people who are close to the patient, and into the bereavement period after the patient has died.
- To increase awareness of Kilbryde Hospice and its services locally.
- Kilbryde Hospice aims to work in partnership with South Lanarkshire Health & Social Care Partnership, General Practitioners and other service providers in the development of localised palliative care services.
- To monitor and evaluate our services implementing development programmes where appropriate through consultation with stakeholders.

### **Our Services**

Cancer remains the most common condition that people present with although Kilbryde Hospice is very keen to support people with a range of life-limiting illness. There are, however, increasing numbers of people affected by Motor Neurone Disease, Multiple Sclerosis, COPD and Parkinson's Disease utilising Day Services. Integration with our local health and social care partners, GP's, community nurses and other palliative care providers continues to be a priority.

### **Drop In**

Kilbryde Hospice Drop In is an open welcome to support people with a life-limiting illness e.g. cancer, heart disease, lung disease, and neurological disease. We offer practical, emotional and spiritual support to patients, carers and relatives when they need it most. We are keen to raise the awareness of this service around the community.

### **Out Patients**

Kilbryde Hospice offers a range of outpatient appointments for patients, carers and relatives. We identify their needs and arrange for them to attend the most appropriate out-patient service. In the past year Kilbryde has assessed over 200 patients as out-patients. We aim to increase this.



# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### Day Services

Kilbryde Hospice Day Services aims to support patients to achieve their goals through a creative, safe and supportive environment. We provide a range of activities to enable people to live independently, improve mobility and build confidence. During the course of the year we have had 174 referrals to Day Services, we have delivered 1326 complementary therapy sessions, conducted 813 people at our community choir and have facilitated 599 counselling appointments. Our Tai Chi sessions have been also been attended by 942 people during the course of the year. We have recognised that the people attending Day Services have more complex needs.

### Care@Home

Kilbryde Hospice Care@Home offers assessment and support for patients and their carers at home. We aim to provide emotional, psychological and spiritual support at home. Our Care@Home completed its 5th year of operation in conjunction with our project partners at St Andrews Hospice. This project allows our hospice services to reach those unable to attend the hospice when they are most in need. This project has now become integrated into our core services with over 137 referrals during the course of the year. We have provided 238 nurse visits, 476 complementary therapist visits and 89 befriender visits over the course of the year. Our recent pilot project taking our Care @ Home service into 2 local care homes, presented as a poster at Hospice UK conference in 2016 has recently been published by Louise Gray in Caring UK.

### In patient Unit

Our 12 bedded in patient unit (currently awaiting commissioning) will provide a full range of specialist services and facilities to help control the symptoms of your illness. Many patients will come for a short stay to improve difficult symptoms allowing them to return home.

### Carers & Families

When someone in your family has a serious illness you may not think of yourself as a carer, but the support you provide is vital. Providing this care can have a major impact on you and it takes time to adjust and find ways of managing. Kilbryde Hospice can support you to do this. Kilbryde Hospice continues to support carers as individuals. Our Carers Course continues with a 7 week programme. This has been well attended with 20 carers attending on our first day and a core of 10 carers attending most weeks. Our Carers Cuppa runs weekly and is appreciated by those who attend.

### Spiritual Care

Our Spiritual care team are available to support patients, carers and relatives whether or not you hold religious beliefs. Our Chaplaincy team have offered support to 56 patients or carers in the last few months.

### Volunteers

Volunteers are the lifeblood of Kilbryde Hospice, working alongside our paid staff in all areas of our service. Volunteers are vital to us. We simply could not run the hospice without them. We currently have over 220 active volunteers and are actively recruiting at the moment.

# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) *FOR THE YEAR ENDED 31 MARCH 2017*

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### **Fundraising And Commercial**

Kilbryde Hospice is extremely fortunate to have a great many loyal supporters who understand that we endeavour to follow the highest ethical principles in our fundraising efforts. Despite the continuing difficult economic climate we continue to maintain our fundraising income year on year.

The annual calendar of events continued with our Corporate Golf Day, Autumn Ball, Ladies Lunch, Burns Ceilidh, Sportsman's Dinner and a number of smaller events.

Alongside our own events, we continued to be the beneficiary of several other large-scale events including, the Donna Mortimer Ballantyne Charity Ball and the Gay Ball organised by Robert and May Miller.

We ran our annual 'Light a Light' campaign at Christmas time and continued our 'Tony's Path' campaign in memory of our founding Chairman, allowing supporters to sponsor a brick in the hospice's garden path with their own personal inscription.

Along with our campaigns and events, we continue to see an increase in support from community fundraising with various groups, including churches, youth groups, schools and Rotary Clubs backing the hospice both financially and through giving their time at various fundraising events.

We were the beneficiary of a number of charitable trusts including £10,000 from the Albert Hunt Trust, £35,000 from the Wolfson Foundation, £3,000 from the Hospital Saturday Fund and a number of smaller donations.

# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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### **Retail**

The Hospice has continued to develop its retail offering in this our eighth year of operation. We continued to trade from three stores, two in East Kilbride and one in Hamilton.

One of the highlights of the past year include the opening of a new Hospice charity shop in the Princes Square area of East Kilbride Shopping Centre. This is a much better location than the shop that reverted back to the Town Centre Management due to centre refurbishment, it has excellent footfall and we are very proud of our new shop which has been decorated in a new, more contemporary style.

The furniture shop in East Kilbride has continued to be the most profitable with low running costs and high margins on furniture turnover.

The warehouse unit has been run as a storage unit to support larger items of furniture however work has been progressed to open this facility to the public in 2017.

We continue to operate a van uplift and delivery service run by our own staff and volunteers, a service which is well received by our supporters.

### **Our People**

Our thirteen person board has provided the drive and direction for the charity for over fifteen years with all of our directors providing their time, financial support and other resources free of charge to the charity. All our directors are volunteers who receive no remuneration or expenses for their services.

Whilst undertaking the increased range of activities over the last year we have managed our staffing levels very tightly to maximise our retained income and maintain our efficiency.

We employed 24 staff at the end of the year with a slight increase to our clinical staffing. It is planned to extend our Fundraising and Retail activities during 2017-18 to support the targeted growth in income of £1.5 million in 2017-18 in advance of the opening of our in-patient facility.

In preparation for this development we have appointed Lesley Wiggins as our new Fundraising and Commercial Manager to oversee this development.

Our staff are complemented by a small 'bank' of nursing staff who come in occasionally to cover short-term gaps in manpower.

They are joined by over 220 volunteers, working across the whole range of Hospice activity.

Our volunteers provide support to the Hospice for over 900 hours per week or the equivalent of 25 full-time staff. This tremendous commitment is the equivalent of a contribution to the organisation of over £500,000 per annum. Without their support we would be unable to provide such a wonderful service to the people of Lanarkshire.

Highly trained nursing staff are joined by a wide variety of other professionals and specialists, including chaplains, complementary therapists and a counsellor. These in turn are supported by fundraising, maintenance, catering, housekeeping and administration staff volunteers working alongside staff in almost every area of Hospice activity, including our shops and out in the community.

The unsung heroes of the Hospice are the many individuals, organisations and companies throughout the community who actively support and fundraise for us on a continuous basis. We salute you for your support and thank you for all your efforts which will allow us to continue to develop our services in the years ahead.

# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### Financial review

The results for the year, as shown on Page 14, are deemed satisfactory by the Board of Directors given the increased delivery of charitable activities and progress in furthering charitable objectives made during the year.

Reserves are maintained at a level which reflect the inherent risk in the charity's area of activity. The board review the level of reserves carefully in relation to the Hospice's operational and financial plans to ensure that sufficient funding is available to meet the charity's continuing objectives.

Once fully operational, the board will aspire to reach and maintain a level of reserves which will ensure that, in the event of a significant drop in funding, they will be able to continue the charity's current activities while consideration is given to ways in which additional funds may be raised.

Funds as at 31st March 2017 total £4,613,609 (2016: £4,418,061). Total funds include restricted funds of £325,946 as outlined at note 21 to be utilised in accordance with restrictions placed on such funds by the donor.

The net income for the year is not distributable to the members, and is transferred to the appropriate reserves to assist in the meeting of future capital expenditure, running costs, and maintenance of existing assets.

The charity's principal income streams are from donations, fundraising and existing agreements with the NHS in order to both maintain the existing level of out-patient care and develop the new hospice to help those patients requiring in-patient hospice services. The Directors are confident that the ongoing support from the NHS, local community and grant making organisations will continue to ensure continuing provision of out-patient services at current levels whilst discussions with health authorities continue to allow the development of the hospice toward the provision of palliative care to in-patients.

There are no restrictions on the charity's power to invest. The investment strategy is set by the directors and takes account of recent demand for funds and the quality of the funding applications. The directors consider the income requirements, the risk profile and the investment manager's view of the market prospects in the medium term. This strategy is set within an overall policy which states that the funds are to be invested in deposits with a view to ensuring that capital appreciation of the fund exceeds inflation. The unrestricted and restricted funds may be invested in any type of investment, except tobacco companies. Our strategy is reviewed with our investment managers annually.

The management committee have assessed the major risks to which the Kilbryde Hospice is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Structure, governance and management

The charity is a company limited by guarantee and has no share capital. Its activities and operations are governed by its Memorandum and Articles of Association.

The directors who served during the year were:

Dr John Richards

Mr Ian Stewart

Mr Dennis Gallagher

Mr Gordon McHugh

Mr Brian Sweeney

(Resigned 3 October 2017)

Dr Wendy Baxter

(Resigned 15 August 2016)

Lady Susan Haughey

Mr Adam Ingram

Mrs Gretta McGuinness

Dr Hosney Yosef

Mrs Christine Sherry

Mr Joe Lowe

# THE KILBRYDE HOSPICE

## TRUSTEE'S REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MARCH 2017

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Mr Michael Graham  
Mrs Fiona McKee

(Appointed 30 June 2017)

The current directors are fully responsible for the recruitment and appointment of new directors.

Board members have the authority to appoint new directors at any point during the year. Potential new directors are invited to meet with the Board in advance of being appointed by a formal vote of the Board.

The Board are currently developing a policy on directors term of office with a view to providing a fixed term before directors are required to stand for re-election. This will be based on a three year cycle to maintain continuity, whilst allowing scope to refresh the Board on an annual basis.

None of the directors has any beneficial interest in the company. All of the directors are members of the company and guarantee to contribute £1 in the event of a winding up.

The Board of Directors of Kilbryde Hospice are all volunteers who receive no remuneration or expenses for undertaking their roles as directors of the organisation.

The Chairman and Chief Executive are responsible for the negotiation and determination of key management remuneration for the organisation. The remuneration policy for all employees is to match the skills, experience and qualifications of each position consistent with a framework allowing market levels in the sector and in the locality.

All senior management recruitment and changes to remuneration are subject to the approval of the full board.

The charity is controlled by its management committee and is supported by a range of sub-committees made up from the current directors, making best use of directors backgrounds, skills and experiences. Each sub-committee has designated areas of responsibility and accountability on operational aspects of the charity. Meetings are held regularly, and implementation of management decisions is done on a day to day basis by Mr D Gallagher, Chairman, Mr I Stewart, Treasurer and Mr Gordon McHugh, CEO.

The Chairman and Treasurer of The Kilbryde Hospice as representatives of the Board of Directors are also Directors of The Kilbryde Hospice (Construction) Ltd which is a subsidiary of the charitable company. The Kilbryde Hospice contracted with its subsidiary company to design, project manage and construct the new hospice on its behalf.

The results of the subsidiary company The Kilbryde Hospice (Construction) Limited are not consolidated in these accounts on the grounds that, after consolidation adjustments to exclude intra group transactions and balances, the change to the current reported results to include the subsidiary results would be immaterial and it is felt that the additional costs would be disproportionate to the benefits of doing so. The subsidiary accounts can be made available on request or obtained from Companies House.

### **Auditor**

In accordance with the company's articles, a resolution proposing that William Duncan + Co be reappointed as auditor of the company will be put at a General Meeting.

The trustee's report was approved by the Board of Directors.

**Mr Dennis Gallagher**  
Director  
Dated: 6 October 2017

# THE KILBRYDE HOSPICE

## STATEMENT OF TRUSTEE'S RESPONSIBILITIES

**FOR THE YEAR ENDED 31 MARCH 2017**

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The directors, who also act as trustees for the charitable activities of The Kilbryde Hospice, are responsible for preparing the Trustee's Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these accounts, the directors 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 accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# THE KILBRYDE HOSPICE

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF THE KILBRYDE HOSPICE

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We have audited the accounts of The Kilbryde Hospice for the year ended 31 March 2017 set out on pages 14 to 35. 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), including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 to the charity's directors, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body and its directors as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of directors and auditor**

As described in the statement of directors responsibilities, the directors, who also act as trustees for the charitable activities of The Kilbryde Hospice, are responsible for preparing the Directors Report and the accounts and for being satisfied that the accounts give a true and fair view.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the accounts 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 accounts**

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Trustee's Annual Report to identify material inconsistencies with the audited accounts 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 accounts.**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- the accounts have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to Smaller Entities);
- the accounts have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustees Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

# THE KILBRYDE HOSPICE

## INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF THE KILBRYDE HOSPICE

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### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Accounts (Scotland) Regulations 2006 (as amended) require us to report to you if, in our opinion:

- the accounts are not in agreement with the accounting records and returns; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

**Stephen Bargh CA MAAT (Senior Statutory Auditor)**  
for and on behalf of William Duncan + Co

6 October 2017

**Chartered Accountants**  
**Statutory Auditor**

30 Miller Road  
Ayr  
Ayrshire  
KA7 2AY

William Duncan + Co is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006



# THE KILBRYDE HOSPICE

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2017

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	Notes	Unrestricted funds £	Restricted funds £	Total 2017 £	Total 2016 £
<b><u>Income and endowments from:</u></b>					
Donations and legacies	3	380,061	-	380,061	413,002
Charitable activities	4	202,307	147,566	349,873	339,580
Activities for generating funds	5	485,671	-	485,671	606,804
Investments	6	1,608	-	1,608	1,479
Other income	7	61,458	-	61,458	-
<b>Total income</b>		<b>1,131,105</b>	<b>147,566</b>	<b>1,278,671</b>	<b>1,360,865</b>
<b><u>Expenditure on:</u></b>					
Raising funds	8	405,495	20,004	425,499	430,130
Charitable activities	9	583,386	74,238	657,624	683,400
<b>Total resources expended</b>		<b>988,881</b>	<b>94,242</b>	<b>1,083,123</b>	<b>1,113,530</b>
<b>Net income for the year/ Net movement in funds</b>		<b>142,224</b>	<b>53,324</b>	<b>195,548</b>	<b>247,335</b>
Fund balances at 1 April 2016		4,145,439	272,622	4,418,061	4,170,726
<b>Fund balances at 31 March 2017</b>		<b>4,287,663</b>	<b>325,946</b>	<b>4,613,609</b>	<b>4,418,061</b>

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The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# THE KILBRYDE HOSPICE

## BALANCE SHEET

AS AT 31 MARCH 2017

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	Notes	2017		2016	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	13	3,943,636		3,985,358	
Investments	14		1		1
		<u>3,943,637</u>		<u>3,985,359</u>	
<b>Current assets</b>					
Stocks	17	4,325		3,439	
Debtors	16	266,058		257,342	
Cash at bank and in hand		584,069		443,732	
		<u>854,452</u>		<u>704,513</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(184,480)</u>		<u>(271,811)</u>	
Net current assets		669,972		432,702	
<b>Total assets less current liabilities</b>		<u>4,613,609</u>		<u>4,418,061</u>	
<b>Income funds</b>					
Restricted funds	21	325,946		272,622	
Unrestricted funds		4,287,663		4,145,439	
		<u>4,613,609</u>		<u>4,418,061</u>	

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The accounts were approved by the Directors on 6 October 2017

Mr Ian Stewart  
Director

Mr Dennis Gallagher  
Director

Company Registration No. SC224366

# THE KILBRYDE HOSPICE

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2017

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	Notes	2017 £	£	2016 £	£
<b>Cash flows from operating activities</b>					
Cash generated from operations	26		211,303		411,882
<b>Investing activities</b>					
Purchase of tangible fixed assets		(98,054)		(147,224)	
Proceeds on disposal of tangible fixed assets		25,480		1,055	
Interest received		1,608		1,479	
<b>Net cash used in investing activities</b>			(70,966)		(144,690)
<b>Net cash used in financing activities</b>			-		-
<b>Net increase in cash and cash equivalents</b>			140,337		267,192
Cash and cash equivalents at beginning of year			443,732		176,540
<b>Cash and cash equivalents at end of year</b>			<u>584,069</u>		<u>443,732</u>

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# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies

##### Charity information

The Kilbryde Hospice is a private company limited by guarantee incorporated in Scotland. The registered office is McGuinness Way, Hairmyres, East Kilbride, Lanarkshire, G75 8RG.

#### 1.1 Accounting convention

The accounts have been prepared in accordance with the charity's governing document, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (as amended for accounting periods commencing from 1 January 2016). The charity is a Public Benefit Entity as defined by FRS 102.

The accounts are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £.

The accounts have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

These accounts for the year ended 31 March 2017 are the first accounts of The Kilbryde Hospice prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 April 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

Group Accounts:

The results of the subsidiary company The Kilbryde Hospice (Construction) Limited are not consolidated in these accounts on the grounds that after excluding intra group transactions and balances the subsidiary results are immaterial to the group. The subsidiary accounts can be made available on request or obtained from Companies House.

#### 1.2 Going concern

The Kilbryde Hospice is reliant upon continuing income streams from donations, fundraising and existing agreements with the NHS in order to both maintain the existing level of out-patient care and develop the new hospice to help those patients requiring in-patient hospice services. The Directors are confident that the ongoing support from the local community together with health authorities and grant making organisations will allow the continuing provision of out-patient services at current levels and are actively seeking funding to allow the development of the new hospice and the provision of palliative care to in-patients. The accounts are therefore prepared on the going concern basis.

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives unless the funds have been designated for other purposes.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the accounts.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Incoming resources

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies

(Continued)

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Gifts in kind are valued at the directors estimate of the market value of the donation.

Revenue grants are recognised in the SOFA when the charity has entitlement. Capital grants are also recognised in the SOFA when the charity has entitlement; both are credited to reserves as appropriate to the nature and conditions attaching to the grant.

Fundraising income is recognised in the year of receipt except for event income where income is recognised when invoiced

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT and other sales related taxes.

#### 1.5 Resources expended

Expenditure other than that which has been capitalised, is charged to the SOFA on an accruals basis, exclusive of Value added Tax.

'Raising funds' comprises all costs and expenses incurred to allow the various departments, staff members and volunteers to actively raise funds.

'Charitable activities' comprise all costs and expenses considered to relate directly to achieving and maintaining the objects of the Kilbryde Hospice, maintain quality standards and to comply with statutory obligations.

All costs and expenses are allocated as appropriate.

#### 1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Tangible fixed assets are currently stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land & Buildings Leasehold	2% straight line
Fixtures, Fittings & Shop Equip	15% reducing balance & 33.33% reducing balance
Motor Vehicles	25% reducing balance
Medical & Computer Equipment	20% straight line & 33.33 reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in net income/(expenditure) for the year.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 1 Accounting policies (Continued)

#### 1.7 Fixed asset investments

Fixed asset investments are stated at cost being the cost of share capital purchased in the trading subsidiary.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

#### 1.9 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell.

Stocks of undistributed donated goods are not valued for balance sheet purposes.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

#### 1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.11 Financial instruments

The charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 1 Accounting policies

(Continued)

##### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

#### 1.14 Taxation

The Kilbryde Hospice is a recognised charity by HM Revenue & Customs, numbered SC 032424 and is granted exemption from liability to taxation by Part 11 s466 to s493 of the Corporation Tax Act 2010.

#### 1.15 Voluntary help

Voluntary help is not included in the accounts. A significant amount of work is undertaken for the Kilbryde Hospice on an unpaid basis by volunteers. The financial value attached to the unpaid volunteer help has not been quantified and is not reflected in the financial statements. However, the Hospice recognises and acknowledges the significant reduction in running costs achieved by the provision of such help.

#### 1.16 Reserves Policy

The Kilbryde Hospice gives consideration to the level of reserves, which reflect the inherent risk in the charity's area of activity. The balances of funds on reserve are monitored in relation to its operational and financial plans to ensure that sufficient funding is available to meet the charity's objectives on a continuing basis.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	2017	2016
	£	£
Donations and gifts	254,921	287,862
Gifts in kind	125,140	125,140
	<u>380,061</u>	<u>413,002</u>

Included in the above donations is a sum of £112,000 (2016 - £124,000) from the Donna Mortimer Ballantyne Trust.

#### Gifts in kind

A significant amount of work is undertaken for the Kilbryde Hospice on an unpaid basis by volunteers. The financial value attached to the unpaid volunteer help has not been quantified and is not reflected in the financial statements. However, the Hospice recognises and acknowledges the significant reduction in running costs achieved by the provision of such help.

Where a value can be assigned for gifts in kind this has been quantified as above.



# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 4 Charitable activities

	2017 £	2016 £
Grants received	345,166	339,580
Ancillary trading income	4,707	-
	<u>349,873</u>	<u>339,580</u>
Analysis by fund		
Unrestricted funds	202,307	
Restricted funds	147,566	
	<u>349,873</u>	
<b>For the year ended 31 March 2016</b>		
Unrestricted funds		184,900
Restricted funds		154,680
		<u>339,580</u>
NHS Lanarkshire - Ground Rent	26,000	26,000
NHS Lanarkshire - Day Hospice	165,100	153,900
The James Weir Foundation	-	3,000
J & J R Wilson Trust	1,000	1,000
Anne Jane Green Trust	-	1,000
The Netherton Trust	2,000	-
Cruden Foundation	2,500	-
M E B Charitable Trust	1,000	-
NHS Lanarkshire Change Fund	100,000	32,832
The D'Oyly Carte Charitable Trust	-	3,000
Morrison Foundation	-	18,000
The Wolfson Foundation	-	35,000
Crerar Hotels Trust	-	5,000
The Roberston Trust	-	25,000
The Steel Charitable Trust	-	5,450
St James Place Foundation	-	9,900
Big Lottery Awards for All	-	7,326
Hospice Aid UK	-	1,495
Sir Alec Black's Charity	-	2,677
The Persula Foundation	-	1,000
The AMW Charitable Trust	-	3,000
The Hugh Fraser Foundation	-	5,000
The Baird Trust	5,000	-
W G Edwards Charitable Foundation	2,700	-
The Hobson Charitable Trust	5,000	-

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

<b>4 Charitable activities</b>	<b>(Continued)</b>	
Margaret Murdoch Charitable Trust	3,000	-
The Albert Hunt Trust	10,000	-
The Act Foundation	4,514	-
Hospital Saturday	3,000	-
The Inlight Trust	2,000	-
Sylvia Waddilove Foundation UK	3,000	-
The Will Charitable Trust	5,000	-
The Boshier Hinton Foundation	3,352	-
South Lanarkshire Council	1,000	-
	<u>345,166</u>	<u>339,580</u>
<b>5 Activities for generating funds</b>		
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
FR Events	141,472	128,504
FR Campaigns	13,019	11,726
FR Community fundraising	153,395	206,091
FR Charity shops	167,895	236,661
FR Lottery - 500 Club	9,890	7,596
FR Raffles	-	16,226
	<u>485,671</u>	<u>606,804</u>
<b>6 Investments</b>		
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Interest receivable	<u>1,608</u>	<u>1,479</u>
<b>7 Other income</b>		
	<b>2017</b>	<b>2016</b>
	<b>£</b>	<b>£</b>
Other income	<u>61,458</u>	<u>-</u>

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 8 Raising funds

	Unrestricted funds	Restricted funds	Total 2017	Total 2016
	£	£	£	£
<u>Raising funds</u>				
Postage & stationery	8,356	-	8,356	5,817
500 Club prizes	4,100	-	4,100	6,000
Event & campaign running costs	40,170	-	40,170	60,613
Collection expenses	7,493	-	7,493	3,072
Advertising	71	-	71	1,555
Other fundraising costs	48	-	48	3,135
Staff costs - retail and fundraising	204,493	-	204,493	200,506
Depreciation and impairment	-	20,004	20,004	14,268
	<u>264,731</u>	<u>20,004</u>	<u>284,735</u>	<u>294,966</u>
<u>Other shop costs</u>				
Operating charity shops	140,764	-	140,764	135,164
	<u>405,495</u>	<u>20,004</u>	<u>425,499</u>	<u>430,130</u>
<b>For the year ended 31 March 2016</b>				
Raising funds	294,784	182	294,966	294,966
Other shop costs	135,164	-	135,164	135,164
	<u>429,948</u>	<u>182</u>	<u>430,130</u>	<u>430,130</u>

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 9 Charitable activities

	2017 £	2016 £
Staff costs	296,610	321,941
Share of support costs (see note 10)	355,514	356,831
Share of governance costs (see note 10)	5,500	4,628
	<u>657,624</u>	<u>683,400</u>
<b>Analysis by fund</b>		
Unrestricted funds	583,386	
Restricted funds	74,238	
	<u>657,624</u>	
<b>For the year ended 31 March 2016</b>		
Unrestricted funds		611,009
Restricted funds		72,391
		<u>683,400</u>

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

### 10 Support costs

	Support costs	Governance costs	2017	2016	Basis of allocation
	£	£	£	£	
Staff costs	56,618	-	56,618	38,000	
Depreciation	94,292	-	94,292	93,715	
Accountancy & payroll	9,829	-	9,829	9,850	
Advertising & promotion	-	-	-	1,950	
Postage, printing & stationery	5,295	-	5,295	3,601	
Medical supplies	4,525	-	4,525	4,059	
Vehicle insurance	1,765	-	1,765	1,130	
Sundry expenses	3,163	-	3,163	841	
Premises expenses	8,433	-	8,433	4,446	
Vehicle running costs	2,215	-	2,215	2,063	
Taxis	-	-	-	901	
Vehicle leasing	5,308	-	5,308	5,098	
Insurance	6,154	-	6,154	5,357	
Legal & professional	8,137	-	8,137	5,198	
Computer and Software	11,953	-	11,953	5,422	
Heat & light	30,922	-	30,922	30,917	
Ground rent	26,000	-	26,000	26,000	
Security	24,294	-	24,294	70,566	
Cleaning & clinical waste	19,443	-	19,443	21,025	
Telephone & internet	12,350	-	12,350	11,593	
Catering supplies	7,849	-	7,849	6,294	
Water rates	7,507	-	7,507	8,805	
Uniform costs	5,456	-	5,456	-	
Staff & volunteer expenses	4,006	-	4,006	-	
Audit fees	-	5,500	5,500	4,500	Governance
Legal and professional	-	-	-	128	Governance
	<u>355,514</u>	<u>5,500</u>	<u>361,014</u>	<u>361,459</u>	
Analysed between					
Charitable activities	<u>355,514</u>	<u>5,500</u>	<u>361,014</u>	<u>361,459</u>	

### 11 Directors

None of the directors (or any persons connected with them) received any remuneration directly from the charity during the year.

No director received reimbursement of out of pocket expenses or for fundraising costs borne personally (2016-£nil). The value of unclaimed expenses is considered to be immaterial.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 12 Employees

#### Number of employees

The average monthly number employees during the year was:

	2017 Number	2016 Number
Fundraising and Support	13	13
Patient care	12	8
	<u>25</u>	<u>21</u>

#### Employment costs

	2017 £	2016 £
Wages and salaries	517,687	519,203
Social security costs	29,486	32,758
Other pension costs	10,548	8,486
	<u>557,721</u>	<u>560,447</u>

Staff costs include redundancy payments totalling £nil in the year (2016 - £2,850).

There were no employees whose annual remuneration was £60,000 or more.

### 13 Tangible fixed assets

	Land & Buildings Leasehold £	Fixtures, Motor Vehicles Fittings & Shop Equip £	£	Medical & Computer Equipment £	Total £
<b>Cost</b>					
At 1 April 2016	3,792,563	170,045	32,360	131,811	4,126,779
Additions	4,049	40,498	-	53,507	98,054
Disposals	-	-	(32,360)	-	(32,360)
At 31 March 2017	<u>3,796,612</u>	<u>210,543</u>	<u>-</u>	<u>185,318</u>	<u>4,192,473</u>
<b>Depreciation and impairment</b>					
At 1 April 2016	94,494	20,592	3,370	22,965	141,421
Depreciation charged in the year	75,851	25,086	-	9,849	110,786
Eliminated in respect of disposals	-	-	(3,370)	-	(3,370)
At 31 March 2017	<u>170,345</u>	<u>45,678</u>	<u>-</u>	<u>32,814</u>	<u>248,837</u>
<b>Carrying amount</b>					
At 31 March 2017	<u>3,626,267</u>	<u>164,865</u>	<u>-</u>	<u>152,504</u>	<u>3,943,636</u>
At 31 March 2016	<u>3,698,069</u>	<u>149,453</u>	<u>28,990</u>	<u>108,846</u>	<u>3,985,358</u>

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 14 Fixed asset investments

	<b>Other investments</b>
<b>Cost or valuation</b>	
At 1 April 2015 & 31 March 2016	1
	<u>          </u>
<b>Carrying amount</b>	
At 31 March 2017	1
	<u>          </u>
At 31 March 2016	1
	<u>          </u>

	<b>Notes</b>	<b>2017 £</b>	<b>2016 £</b>
Other investments comprise:			
Investments in subsidiaries	<b>25</b>	1	1
		<u>          </u>	<u>          </u>

The results of the subsidiary company The Kilbryde Hospice (Construction) Limited are not consolidated in these accounts on the grounds that after excluding intra group transactions and balances the subsidiary results are immaterial to the group.

The subsidiary accounts are available on request or can be obtained from Companies House.

<b>15 Financial instruments</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	176,287	240,329
	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	73,504	142,959
	<u>          </u>	<u>          </u>

<b>16 Debtors</b>	<b>2017 £</b>	<b>2016 £</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	106,409	115,130
Amounts due from subsidiary undertakings	9,320	3,706
Other debtors	134,795	123,917
Prepayments and accrued income	15,534	14,589
	<u>          </u>	<u>          </u>
	266,058	257,342
	<u>          </u>	<u>          </u>

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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17	Stocks	2017 £	2016 £
	Finished goods and goods for resale	4,325	3,439

Stocks comprise purchased goods only, donated goods for re-sale have not been valued. The directors do not deem it practicable to value donated goods due to the significant amount of work and undue cost and effort associated with this procedure.

### 18 Creditors: amounts falling due within one year

	Notes	2017 £	2016 £
Other taxation and social security		21,836	15,866
Deferred income	19	89,140	112,986
Trade creditors		5,599	9,277
Accruals		67,905	133,682
		<u>184,480</u>	<u>271,811</u>

### 19 Deferred income

	2017 £	2016 £
Other deferred income	89,140	112,986

Deferred income is included in the financial statements as follows:

	2017 £	2016 £
Current liabilities	89,140	112,986
	<u>89,140</u>	<u>112,986</u>

### 20 Retirement benefit schemes

#### Defined contribution schemes

The charity operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the charity in an independently administered fund.

The charge to profit or loss in respect of defined contribution schemes was £10,548 (2016 - £8,486)



# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 21 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Balance at 1 April 2016	Movement in funds		Balance at 31 March 2017
	£	Incoming resources	Resources expended	£
Care at home service	1,352	100,000	(50,483)	50,869
Crosscare system & training	15,669	-	(2,512)	13,157
Minibus	28,989	-	(1,738)	27,251
Furniture, Medical & IT equipment - SLC 1	27,437	-	(5,611)	21,826
Medical equipment - SLC 2	91,000	-	(3,928)	87,072
Kitchens	48,125	-	(7,222)	40,903
General equipment & furnishings	28,896	-	(1,995)	26,901
IT equipment	5,365	-	(247)	5,118
Staff costs - Day Hospice	15,000	-	(9,783)	5,217
Music & exercise therapy classes	9,294	-	(8,769)	525
Laundry Service	1,495	28,566	(126)	29,935
Therapy Room	-	8,000	(1,828)	6,172
Pain Management	-	3,000	-	3,000
Chaplin Services	-	7,000	-	7,000
Defibrillator	-	1,000	-	1,000
	<u>272,622</u>	<u>147,566</u>	<u>(94,242)</u>	<u>325,946</u>

#### Project - Care at home

Care at home is a recurring revenue grant from NHS Lanarkshire Change Fund for establishing and delivering an enhanced community palliative care at home service in partnership with St Andrew's Hospice, Airdrie and The Haven, Blantyre. The remaining fund balance of £50,869 relates to unspent funds of £49,967 and the carrying value of equipment £902 to be released in line with the depreciation policy over the useful life of the assets.

#### Project - Crosscare system

Crosscare system is a capital and revenue grant from NHS Lanarkshire to allow implementation of the Crosscare software system. An informative patient care database system to operate within the Hospice. The remaining fund balance of £13,157 relates to unspent funds of £8,133 and the carrying value of equipment £5,024 to be released in line with the depreciation policy over the useful life of the asset.

#### Project - Minibus

Minibus is a capital grant from RBS Community to purchase a Hospice minibus to make the Hospice services more accessible within the community. The remaining fund balance of £27,251 is the balance of unspent funds at the year end to be carried forward and spent in line with the grant conditions in the year to 31st March 2018.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

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#### 21 Restricted funds

(Continued)

##### Project - SLC Renewable Energy Fund 1 & 2

SLC1 and SLC 2 are capital grants from SLC Renewable Energy Fund to contribute towards the cost of medical equipment, fixtures, fittings and IT infrastructure requirements of the new Hospice facility. The remaining fund balances of £108,898 relates to unspent funds of £5,039 and the carrying value of the assets £103,859 to be released in line with the depreciation policy over the useful life of the assets.

##### Project - Kitchens

Kitchens are capital grants received from three main sources, The Wolfson Foundation £35,000, The Robertson Trust £10,000 and Crerar Hotels Trust £5,000, all collectively to cover the cost of the new cafeteria and in-patient kitchens within the Hospice building. The remaining fund balance of £40,903 relates to unspent funds of £nil and the carrying value of the kitchens £40,903 to be released in line with the depreciation policy over the useful life of the assets.

##### Project - General equipment & furnishings

General equipment & furnishings comprises generous contributions received from The Steel Charitable Trust, Sir Alec Black Charity, The Persula Foundation, Big Lottery Awards for All, St. James Place Foundation, The AMW Charitable Trust all collectively to cover the capital cost of much needed equipment and furnishings throughout the Hospice building. The remaining fund balance of £26,901 relates to unspent funds of £12,991 and the carrying value of the assets £13,910 to be released in line with the depreciation policy over the useful life of the assets.

##### Project - IT equipment

IT equipment are capital grants received previously from Big Lottery Awards for All and most recently The Hugh Fraser Foundation to further enhance the IT infrastructure within the Hospice. The remaining fund balance of £5,117 relates to unspent funds of £4,060 and the carrying value of the assets £1,057 to be released in line with the depreciation policy over the useful life of the assets.

##### Project - Staff costs (Day Hospice)

Staff costs (Day Hospice) is a revenue grant received from The Robertson Trust to contribute toward direct staffing costs of the day patient service. The remaining fund balance of £5,217 is the balance of unspent funds at the year end to be carried forward and spent in line with the grant conditions in the year to 31st March 2018.

##### Project - Music & exercise therapy classes

Music and exercise therapy classes are revenue grants received from Morrisons Foundation £18,000 and The D'Oyly Carte Charitable Trust £3,000 to contribute toward sessional staff costs in providing vital therapy classes to day patients. The remaining fund balance of £525 is the balance of unspent funds at the year end to be carried forward and spent in line with the grant conditions in the year to 31st March 2018.

##### Project - Laundry Service

Laundry service grants are capital grants received from The Hobson Charitable Trust, Hospice Aid UK, WG Edwards, The Albert Hunt Foundation, The Boshier-Hinton Foundation, The Act Foundation and Margaret Murdoch all collectively received to cover the cost of laundry equipment to provide laundry services. The remaining fund balance of £29,935 relates to unspent funds of £19,954 and the carrying value of assets £9,981 to be released in line with the depreciation policy over the useful life of the assets.

##### Project - Therapy Room

Therapy Room grants have been received from The Will Charitable Trust £5,000 and Sylvia Waddilove £3,000 to contribute towards holistic therapies to patients. The remaining fund balance of £6,172 relates to unspent funds of £5,958 and the carrying value of the assets £214 to be released in line with the depreciation policy over the useful life of the assets.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2017

#### 21 Restricted funds

(Continued)

##### Project - Chaplin Services

Chaplin Services are revenue grants received from The Baird Trust £5,000 and The Inlight Trust £2,000 to contribute towards the provision of Chaplin Services within the Hospice. The remaining fund balance of £7,000 is the balance of unspent funds at the year end to be carried forward and spent in line with the grant conditions in the year to 31st March 2018.

##### Project - Pain Management

Pain Management grants is a capital grant received from Hospital Saturday £3,000 towards the purchase of syringe infusion pumps to aid the care of Hospice patients.

##### Project - Defibrillator

Defibrillator grants is a capital grant received from South Lanarkshire Council £1,000 towards the purchase of a defibrillator for the Hospice.

#### 22 Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Total
	£	£	£
Fund balances at 31 March 2017 are represented by:			
Tangible assets	3,767,785	175,851	3,943,636
Investments	1	-	1
Current assets/(liabilities)	519,877	150,095	669,972
	<u>4,287,663</u>	<u>325,946</u>	<u>4,613,609</u>

#### 23 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	51,074	38,144
Between two and five years	169,999	129,000
In over five years	2,132,000	2,158,000
	<u>2,353,073</u>	<u>2,325,144</u>

Kilbryde Hospice has a 90 year rent agreement (with a 20 year break clause) with NHS Lanarkshire.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

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### 24 Related party transactions

#### Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2017	2016
	£	£
Aggregate compensation	49,892	42,159
	<u>49,892</u>	<u>42,159</u>

#### Transactions with related parties

During the year the charity entered into the following transactions with related parties:

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2017

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### 24 Related party transactions

(Continued)

#### Controlling Parties:

The charitable company was controlled throughout the year by its Board of Directors.

#### Related Parties:

##### The Kilbryde Hospice (Construction) Limited

During the year subsidiary company The Kilbryde Hospice (Construction) Limited provided project management services on the Hospice build amounting to £nil (2016: £141,304).

There was an inter company balance owed from The Kilbryde Hospice (Construction) Limited of £9,320 as at 31st March 2017 (2016: £3,706) included within Debtors at note 16.

##### Chief Executive Officer (CEO)

The charity's Chief Executive Officer (CEO) role is fulfilled on a temporary basis, part-time, by one of the Directors, Mr Gordon McHugh on a secondment from his normal full time position with another, unconnected, employer.

Mr McHugh is remunerated solely by his regular employer - he is not on the payroll of the Hospice. However, his employer is compensated for the time spent as CEO on Kilbryde Hospice matters by a donation from The City Charitable Trust, a charitable organisation closely connected to Director Lady Susan Haughey, in the sum of £40,000 plus VAT. This sum is included within Gifts in Kind at note 3 and as part of Staff Costs at note 9.

##### The City Charitable Trust

In addition to the aforementioned, during the year The City Charitable Trust donated the sum of £14,835 (2016: £19,030) through donations and attending events.

City also gifted exclusive use of a van to the charity shops at a value of £7,140 (2016 - £7,140) in the year.

##### The Donna Mortimer Ballantyne Trust

During the year The Donna Mortimer Ballantyne Trust, a charitable organisation closely connected to Directors Christine Sherry and Lady Susan Haughey donated the sum of £112,000 (2016: £124,000) towards the build and running costs of the Hospice in the year.

# THE KILBRYDE HOSPICE

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2017

### 25 Subsidiaries

These financial statements are separate charity financial statements for 31 March 2017.

Details of the charity's subsidiaries at 31 March 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	
				Direct	Indirect
The Kilbryde Hospice (Construction) Ltd	Scotland	Project management and development of building projects	Ordinary	100.00	

### 26 Cash generated from operations

	2017 £	2016 £
Surplus for the year	195,548	247,335
Adjustments for:		
Investment income recognised in statement of financial activities	(1,608)	(1,479)
Loss on disposal of tangible fixed assets	3,510	-
Depreciation and impairment of tangible fixed assets	110,786	107,983
Movements in working capital:		
(Increase) in stocks	(886)	(448)
(Increase) in debtors	(8,716)	(13,819)
(Decrease) in creditors	(63,485)	(31,561)
(Decrease)/increase in deferred income	(23,846)	103,871
<b>Cash generated from operations</b>	<b>211,303</b>	<b>411,882</b>