

**GREENWICH & BEXLEY
COMMUNITY HOSPICE LIMITED**

(A charitable company limited by guarantee)

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 MARCH 2012



haysmacintyre
Chartered Accountants
Registered Auditors
London

Company Number 2747475
Registered Charity Number 1017406

CONTENTS	Page
Reference and administrative details	1
Trustees Report	2
Report of the Auditors	17
Statement of Financial Activities	19
Balance Sheet	20
Cash Flow Statement	21
Notes to the Financial Statements	22

REFERENCE AND ADMINISTRATIVE DETAILS

Directors and Trustees

Chairman and Chair of Clinical Governance & Development Committee Dr David Robson ●●+
Deputy Chair and Chair of Health & Safety Committee Paula Keats ◆●
Hon Treasurer and Chair of Finance Committee and Investment Committee David Matheson ●+
Company Secretary and Chair of Information Governance Committee Gerald Peters ❖●
Mr Tim Barnes QC
Mrs Ruth Russell
Mr Peter Sowden ●

Members of Board Sub Committees

- Clinical Governance & Development Committee
- ◆ Health & Safety Committee
- Finance Committee
- + Investment Committee
- ❖ Information Governance Committee

Chief Executive	Ms Kate Heaps
Registered Office	185 Bostall Hill Abbey Wood London SE2 0GB
Bankers	National Westminster Bank Ltd 1 Townley Road Bexleyheath Kent DA6 7JG
Auditors	haysmacintyre Fairfax House 15 Fulwood Place London WC1V 6AY
Investment Fund Managers	Cazenove Capital Management Ltd 12 Moorgate London EC2R 6DA
Registered Charity Number	1017406
Company Number	2747475
VAT Registration Number	872 8047 03

TRUSTEES' REPORT

The Board of Trustees present their report and the consolidated financial statements of the Greenwich & Bexley Community Hospice Limited for the year ended 31 March 2012

The financial statements have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities issued in March 2005, applicable law and the charity's governing document

The Trustees have paid due regard to the guidance provided by the Charity Commission on public benefit. They are assured that the aims and objectives, along with the outcomes of the activities of the charity have met the Public Benefit requirement and acknowledge the generosity of its supporters who have enabled the public to benefit from the charity's activities

OBJECTIVES AND ACTIVITIES

The Company is established for charitable purposes, for the relief of pain and suffering among the ill, the provision, management and maintenance of a hospice and associated community and outreach services for people with life limiting illness and their families and friends, the protection and preservation of the health of those affected by bereavement and the advancement of education of professionals and the public in the relief of pain and suffering

Mission Statement

Greenwich & Bexley Community Hospice aims to give quality care and support to people with advanced illness from our local community (and their families), whoever and wherever they are

We do this by delivering services which

- promote quality of life, dignity and choice
- are accessible, flexible, reliable and timely
- are patient and carer focused
- promote freedom from pain and other distressing symptoms
- support other professionals to improve care in all settings
- promote the holistic needs of people under our care
- support families into and after bereavement
- are free of charge

This report outlines our activities and achievements in the financial year 2011/12.

Introduction

The Hospice charity was founded in 1986 by 2 local cancer patients, Pat Jeavons and Don Sturrock who identified the need for a Hospice in the local area. After 8 years of fundraising, negotiation and development, the Hospice building opened. The charity has grown from strength to strength since then, initially services were restricted to a small inpatient unit and day care facility, but over time the Hospice has expanded and developed to provide a multidisciplinary and integrated specialist palliative care service with a focus on care being delivered whenever and wherever it is required

Over recent years the Hospice has had to make every effort to maintain its profile in the communities that it serves, as our services grow to keep up with increasing demand and competition for charitable support increases we have to work even harder to ensure people know that the Hospice is their local charity and that we need their support as much now as in the early years

As well as raising our profile, we have been working hard to streamline our management, systems and processes so that we use our resources as wisely and efficiently as possible. Following a review of all aspects of the organisation, the Hospice underwent a charity-wide restructure in 2011/12, the aims of this were to further integrate and improve care for patients and to control costs into the future

TRUSTEES' REPORT (continued)

In 2011/12 there were 2 significant initiatives led by the Department of Health that are likely to impact on the Hospice, the health reforms gathered apace in 2011/12 and culminated in the accession of the Health and Social Care Act 2012 and the Palliative Care Funding Review (PCFR) reported its recommendations. It is not yet clear the degree of impact of the Health and Social Care Act, however changes to commissioning arrangements and the squeeze on public finances both present a risk to the Hospice that we have had to prepare for. The PCFR presents some potential opportunities, in particular with our recent developments of integrated and coordinated care, however the new tariff will not be implemented until 2014/15 at the earliest, and therefore results in risks in the short term. Our relationships with GPs, our local authorities, partner organisations and other clinicians outside of end of life care are increasingly important, further headway has been made to develop such relationships in 2011/12. Although affecting charitable giving the difficult economic climate has seemed to create some opportunities and in 2011/12 appeared to have a positive impact on our retail operation.

The need and demand for our services is increasing, an ageing population who are aware of their rights and of the services we provide create an increased demand. With the introduction of more flexible home based services, we have had some success in reaching out to more people from previously hard to reach groups. Our education work has continued to expand this year as we form new partnerships with other organisations to meet increased demand for care.

The Hospice continues to lead the way locally and nationally in improving care for people at the end of life. Working in partnership with other providers to ensure that quality services are provided for people at the end of life and their families regardless of background or diagnosis across all settings in Greenwich and Bexley boroughs, the Greenwich Care Partnership service is a particular example of this.

Hospice Services

Greenwich & Bexley Community Hospice offers

- **Home care in Greenwich and Bexley Boroughs**, Clinical Nurse Specialists, Doctors and Allied Health Professionals provide care and support for people in their own homes including advice and support to their carers and to the other primary care professionals involved in their care.
- **Greenwich Care Partnership**, operational from May 2011, a fully integrated care coordination, personal care and nursing service in Greenwich, providing practical care and support to people around the clock in their own homes.
- **Inpatient care** through our 19 bedded unit, caring for and supporting people who have symptom control needs, complex psychological support needs, respite needs or end of life care needs. The unit also provides significant support to the families and friends of those that we care for.
- **A hospital support team** at Queen Elizabeth Hospital, Woolwich, supporting and advising the staff at the hospital on end of life care and symptom control issues as well as supporting patients and their families directly and helping to ensure that their wishes for care are met.
- **Day Hospice services** for people who remain at home but would like social contact, or to access particular treatments or complementary and creative therapies or to provide their carer with a break.
- **Rehabilitation** and support from our multi-professional team working across all care settings as required.
- **Lymphoedema treatment and care** for people with advanced disease as well as those who have Lymphoedema as a result of treatment or an underlying chronic condition.
- **Psychological, spiritual and social care** provided by our multi-professional team including Counsellors, Social Worker, Chaplains, Befrienders and Benefits Advisors.
- **Education and care homes support**; training nurses, doctors and other health and social care professionals as well as providing high level facilitation and support to staff, patients and families in care homes.

TRUSTEES' REPORT (continued)

Achievements in 2011/12

In 2011/12 we have

- **Conducted a review of Hospice Management Structures** to ensure maximum efficiency, integration and improve services for patients
- **Established a new integrated service for end of life care in the Greenwich Borough**, developed in partnership with Oxleas NHS Foundation Trust and Marie Curie Cancer Care and operational from May 2011. This service has succeeded in increasing the number of home deaths as well as providing a high level of patient and carer satisfaction
- **Continued to improve the delivery and quality of our care and support by further integrating services** to ensure that our systems are coordinated and duplication is avoided where possible. We have improved our referral, admission and discharge systems to avoid unnecessary delays between departments
- **Appointed a new Head of Fundraising to the Senior Management Team**. Having recruited internally to this position, we were able to ensure continuity and have strengthened the team by recruiting additional experienced staff
- **Refurbished our outpatient care and day hospice facilities** supported by a grant from the Social Enterprise Investment Fund as well as NHS Greenwich we have been able to continue our programme to enhance the environment for people who receive our care as an outpatient or in day care
- **Developed our rehabilitation service** helping patients maintain their dignity and independence through group work and 1-1 interventions
- **Reached out to more people** from black and minority ethnic communities and with a diagnosis other than cancer by providing more care in community settings and working more collaboratively with our local health care partners
- **Implemented an Electronic Patient Record system** accessible throughout all of our services to further improve assessment, communication and integration of care delivery
- **Conducted a partial review of volunteering across the Hospice** to ensure we support and develop our existing volunteers and provided new volunteering opportunities to others through skills development and team challenge days
- **Strengthened our relationships** with GPs, the local voluntary sector and local NHS organisations
- **Continued to develop new streams of voluntary funding**, seeing positive improvements in grant funding and developing awareness of and relationships towards improving the contribution from legacies
- **Continued to communicate well** with the public and professionals (including providing training to over 100 nurses) to ensure that our patients/ prospective patients are able to access appropriate care when they need it and that we maintain existing and attract new supporters
- **Increased our income from retail**, through development of our existing shops and e bay site, improving recycling and opening a new unit in Erith
- **Established a palliative care working group at the South London Healthcare Trust (SLHT)** formally linked to the SLHT cancer action group to ensure integrated planning and similar processes across all sites of the Trust in order to support compliance for Peer review and improve multi-professional working
- In conjunction with SLHT, **Improved our system for Medical appraisal** to support the new legislation surrounding medical revalidation

CARE ACTIVITY

Specialist Community Services

We offer 24 hour care and support in the community across the London boroughs of Greenwich and Bexley. In 2011/12 Specialist Community Services made 4616 visits to 1389 people in their own homes. 23% of these patients had a non cancer diagnosis and of the 729 people who died in our care, 42% were able to die at home and a further 8% died in a care home. The cost of Specialist Community care in 2011/12 was £1,111,329

TRUSTEES' REPORT (continued)

Hospice Outreach

Our hospital support team based at Queen Elizabeth Hospital, Woolwich plays an important role in educating and advising hospital professionals as well as supporting patients and their families in hospital. This year our small team made over 1650 visits to 732 patients during their hospital stay, 32% of these patients had a diagnosis other than cancer. Approximately 1/2 of the patients that we support in hospital are discharged from hospital and this is facilitated by an end of life care Discharge Nurse working within the team.

Greenwich Care Partnership

This year saw the introduction of a new 24 hour integrated end of life care service for Greenwich borough. In May, the service saw its first patients and by June it was fully operational. The service is delivered in partnership with Marie Curie Cancer Care and Oxleas NHS Foundation Trust with the Hospice acting as the prime contractor. In the first 10 months of operation the service has provided coordination of care for 421 people and the multi visit personal care service (provided by GBCH) provided 2,763 hours of care. The total cost of the care provided by the Greenwich Care Partnership in 2011/12 was £761,393.

Practice Development

The Practice Development team work within the Hospice and outside to educate professionals and facilitate improvements in care for people at the end of life. Their work in local care homes continues, with many homes across both boroughs being helped to care for their residents in their place of choice. In 2011/12 funding was received from both PCTs to support training of over 100 community nurses. This training as well as the work in care homes supports more people to achieve their goal of dying in their own home (including their care home) as well as helping both PCTs achieve their strategic objectives to reduce unnecessary hospital admissions.

Rehabilitation

2011/12 saw the hospice rehabilitation service develop further, with the appointment of a Physiotherapist. Working with the Occupational Therapist, our Nurses and Doctors, the rehab team enhance the skills of the multidisciplinary team and help the further development of a rehabilitative approach across all of our services. In 2011/12 649 patients were seen as outpatients across rehabilitation and Lymphoedema, 49% of these had a non cancer diagnosis.

The innovative and popular "Stepping Stones" service for patients, carers and the bereaved benefitted from the developments of the rehabilitation team with rehabilitation groups being offered as part of the programme of events. In addition, for the first time Hospice patients had access to formal art therapy through a link with Goldsmith's University.

Inpatient Care

During the course of the year we cared for 345 patients within Woodlands, our In-patient Unit. Patients are referred for inpatient care for pain and symptom control, terminal care, complex psychological support and respite care.

For some of our patients their symptoms become hard to manage and require specialist assessment, support and treatment. These patients will stay with us to enable the multidisciplinary team to assess their symptoms, modifying their medication, in order to relieve their pain and other symptoms and enabling them to be discharged back home. Around 42% of our patients who stay with us are discharged home.

Some people whose illness has reached the final stages choose to be admitted to us for terminal care, these patients are offered support and symptom control so they can achieve the best quality of life during their final days. The cost of providing care in our inpatient unit in 2011/12 was £1,792,945.

TRUSTEES' REPORT (continued)

Day Hospice

Within Shornells, our Day Hospice, we offer day care for up to 25 patients a day, three days each week. During the course of this year there were 2267 attendances, an increase of 20% on last year. This facility is offered to those who require our support but not 24 hour care.

Social, Psychological and Spiritual Care

The Hospice endeavours to meet all the needs of its patients whether they are physical, emotional or spiritual. Our Department of Social, Psychological and Spiritual Care helps to ensure that patients' holistic needs are met.

During the course of this year we continued to offer significant counselling support via our one to one service or within our various support groups. Patients, relatives and carers are offered counselling both before and also following bereavement. Our bereavement services are available to people whether or not they have had previous contact with Hospice services. In 2011/12 the new telephone bereavement service continued to develop and offered support to 687 bereaved people.

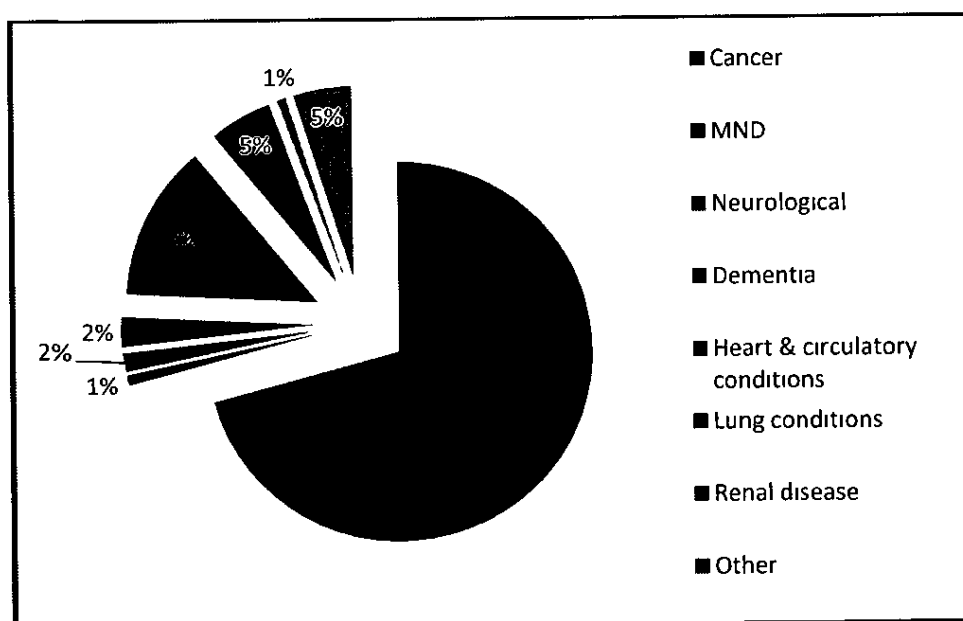
As well as providing counselling, our Hospice Social Worker provides advice and support to patients and their families around welfare rights, housing and family issues, in 2011/12 she was supported by a Social Work Student from Greenwich University.

To meet the spiritual needs of our patients, their families, volunteers and staff, a team of volunteer Chaplains operate across all hospice services, links continue to be made this year to other faith communities who have historically not had an association with the Hospice.

REACHING OUT TO THE WIDER COMMUNITY

Care beyond Cancer

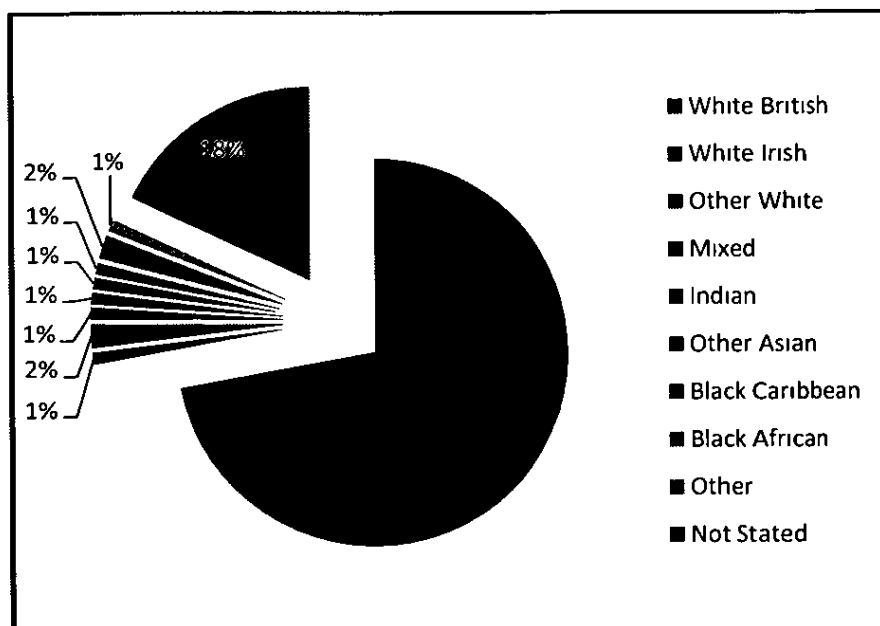
The Hospice continues to increase the number of people it cares for with a diagnosis other than cancer, as shown below.



TRUSTEES' REPORT (continued)

Black and Minority Ethnic Communities

For a number of years, the Hospice has been working on reaching out to the whole community and continues to work hard to make links with leaders for black and minority ethnic communities, our most recent community developments and our work in hospital help us to reach out to people who may not historically have accessed a Hospice service. Our ethnicity data collection continues to be a challenge, but it is anticipated that this will improve with the new electronic patient record.



INCIDENT MANAGEMENT

Management of clinical incidents continues to improve, an area of particular success is a reduction in the number of falls in the inpatient unit, with the implementation of a falls pathway, additional training for nursing staff and the purchase of 19 electronic "lower to the floor" beds, the number and severity of falls has reduced.

Our drug error rate is very low at 112 for the whole year, with no serious untoward incidents reported, this rate continues to remain comparable with other hospices. Some hospices do not record incidents unless they affect the patient, whereas we report all, including near misses such as apparent loss of controlled drugs, accounted for shortly after. We have no repeated incidents of concern and use examples from the previous year in the medicines management training sessions that all nurses receive as part of their annual update to ensure that everyone learns from these experiences.

We received 22 formal and informal complaints in 2011/12, all complaints are investigated and all were resolved within the agreed timeframe.

PATIENT AND FAMILY FEEDBACK

The charity receives hundreds of thank you cards and letters from patients and bereaved families each year, in addition, there are a number of comments and suggestion boxes placed around the Hospice building. Below gives a range of the feedback received.

"We can't begin to express our gratitude for all the care, support, patience, understanding and compassion you all showed to (patient) while he was with you, and us too! You treated (patient) as if he were your own, and gave us the opportunity to just be with him, and enjoy him in his last days. The Hospice is an amazing place, filled with very special people, all of whom helped us through a very difficult time. Thank you" Family of inpatient

TRUSTEES' REPORT (continued)

"Thank you to the Hospice Team for the wonderful care and support they gave to (my husband) and to me during the last weeks of his life. We first came into contact with the Hospice back in 2009, when one of the nurses came to visit us and to talk about the services on offer. She helped (my husband) apply for the DLA (Disability Living Allowance) and a blue badge, both of which made a great deal of difference to our life. From time to time we received a phone call from the Hospice, just to see how (he) was doing – he did not need their services, but it was good to know they were there. Then in November last year, (my husband) became very ill and the Hospice Team stepped in. We both felt immediately reassured and confident that she understood the situation and he was in good hands. She was so calm and professional, and at the same time so kind, sensitive and matter of fact – I found this very comforting at a difficult time. We were also well supported by the Dr, Occupational Therapist and all the equipment that made things so much easier for (him), and finally by the Hospice at Home carers, who looked after (my Husband) with such patience, kindness, care and skill during his last few days. All of this meant that my children and I could concentrate on (him) and enabled him to remain at home, which was what he wanted. I cannot tell you how grateful we are for the wonderful support and service provided by the Hospice and how impressed we are with the great work you all do." Wife of patient, West Greenwich

"To all the staff at Woodlands, Thank you for the help and care, I have improved so much it has been remarkable" Patient of Woodlands, Inpatient Unit

"I want to write to thank everyone at the Hospice for their exemplary care and kindness, for all of us, when my Dad was dying last month. You gave him back his dignity, he lost his fear, and he, and we, had a few precious days to savour the last of his life. It was, for all its sadness and its soonness, the death I would wish for anyone I loved." Daughter of community patient, Blackheath

"Words cannot express our gratitude to you and your team for the support & guidance, help, understanding and care that you gave to us and to our Mum. We will never forget you" Daughter of community patient, Thamesmead

SUPPORTING OUR CARE

Volunteers

The Hospice benefits from the support of a large number and diverse range of volunteers. Volunteers not only bring their time and expertise but also their personalities and life experiences that help to create the special atmosphere that exists within the charity.

Volunteers work in all areas of the Hospice. These include trustees, gardeners, fundraisers, shop workers, receptionists and therapists to mention a few. In excess of 531 are registered with the charity and gave collectively over 75,000 hours of time during the year. This equates to 44 full time workers for a year, or a financial donation equivalent to approximately £530,000. This is a considerable contribution, adding real value to every aspect of our work. We are proud and greatly encouraged to have such a wide range of volunteers offering their time to us. They range from teenagers to people in their 90's.

Young people are choosing to come to the Hospice for work experience, enabling them to have a greater understanding of the work of the Hospice and the various opportunities available within the organisation, helping us to raise our profile further in the local community. As a result of the difficult economic climate, we also have a number of volunteers through back to work schemes, a volunteer placement for someone who is currently looking for work can help them to develop new knowledge and skills as well as allowing the Hospice to benefit from existing experience and skills such as IT, administrative and people skills.

TRUSTEES' REPORT (continued)

Retail activities

The Hospice has an extensive network of charity shops. In 2011/12 there were 15 in total, of which 12 are leased, two are freehold and one is on a rent free short term licence. These are spread across the London Boroughs of Greenwich and Bexley.

Despite the economic climate, our shops had a successful year with the retail trading results showing a 14% increase in total income compared to the prior year and profit contribution increasing by 66%. For accounting purposes however, through the new gift aid scheme for donated goods, the proportion of the sale income which is in effect a donation is treated as income of the charity and not the trading subsidiary. The trading subsidiary only accounts for the commission element of the sale value on donated goods. This is reflected in the results of the trading subsidiary, GBCH Trading Limited, which are included in note 9 of these accounts.

Lottery

During 2011/2012 the Lottery continues as a regular source of income to support the work of the Hospice. The sale of single lottery tickets, particularly in our shops has boosted income on top of the regular playing members. The introduction of a "rollover" prize generated awareness of the lottery, encouraging additional ticket sales and maintaining the regular player base. The introduction of biannual bumper draws also helped to increase lottery income. Details of the Lottery financial results are included in note 9 of these accounts.

Development of voluntary income

The fundraising team is responsible for generating our voluntary income and in 2011/12, continued investment in the team allowed development of fundraising to strengthen and diversify income streams. We reviewed existing events and introduced new activities including publishing regular newsletters, "It's a Knockout", Pancake Day race, box collections and challenge events. The impact of introducing these initiatives has been to attract new supporters as well as to maintain our relationship with existing donors. The Hospice has reviewed its database and started to use new outlets for communicating with the public, including increasing the use of the Hospice website and social media sites including Facebook and Twitter. As a result of all of these changes, overall growth in fundraising was 17%.

Legacies

Legacy gifts which we receive from wills are a significant source of income for the Hospice, however by its nature this is very unpredictable and in 2011/12 our legacy income, totalling £218,565, was £366,776 less than in the previous year. Legacies will continue to be a crucial source of unrestricted funding for the Hospice, and we have developed a legacy marketing programme to strengthen this area of potential future income. The "Free Will Week" campaign continues to be enthusiastically supported by local solicitors and is a major initiative in increasing awareness of the importance of legacies to the Hospice amongst our supporters and the local community.

Trusts and Foundations

We are growing the income we receive from grants from charitable trusts and foundations, which is largely restricted to specific projects, equipment and services. This provides an increasingly important income stream for the Hospice and has provided support into revenue in 2011/12 as well as capital. In 2011/12 we were successful in achieving a grant from Comic Relief for £61,285 over 2 years to support the development of a volunteer advance care planning service. We also received £149,948 from the Social Enterprise Investment Fund to further develop our Day Hospice and outpatient facilities as well as to purchase a new minibus.

Community support

Individuals, schools, faith groups, clubs, pubs, Rotary groups, Freemasons and other local organisations continue to demonstrate their support by donating money, goods for shops and organising fundraising events and activities to support our work.

TRUSTEES' REPORT (continued)

Events which we actively organise continue to help to foster a true community spirit across the local community. More and more people are raising funds individually on the Hospice's behalf and we are grateful for their support.

Business support

Many businesses are offering their help and support by joining our local business partnership or choosing us to be their charity of the year which includes sponsoring our events, making gifts in kind or offering time voluntarily. The Broadway Shopping centre, Bexleyheath continued to provide support in various ways including agreeing to allow the Hospice to operate their Christmas grotto. The local branches of NatWest Bank chose the Hospice as their charity of the year and to date have raised £27,349 as well as contributing their time on challenge days in the Hospice grounds. We were also grateful to H-Med for a gift of £110,000 following their involvement in the development of a new local GP surgery.

Individual giving

We have continued to develop income in this area through our direct marketing appeals. Our 2011/12 patient appeal raised £9,872.70 and helped to raise awareness of our work.

As a tribute to their loved one and to say thank you, many families continue to raise funds after someone has died. By asking for donations to be made in lieu of flowers at funerals, signing up to give a regular gift, or holding special fundraising events and activities in their loved one's honour. This is a vital and large source of income for the Hospice, this year in response to requests from families, we will develop this area of fundraising further to ensure loved ones can make a fitting tribute.

FINANCIAL REVIEW

The Consolidated Statement of Financial Activities for the year ended 31 March 2012 is set out on page 19. After receipt of capital grants including £800,000 from Greenwich PCT, there is a surplus reported for the year of £57,652.

On the unrestricted funds there was a deficit of £778,325 for the year before transfers. This deficit has been partly funded by transfers from restricted funds but primarily from general reserves. The planned programme for increasing our voluntary income has been successful although fell short of target in some areas in 2011/12. The economic conditions have hampered some of our programmes, but despite this, general donations have increased by 17% to £945,959. Charity shop income, together with Charity shop donations increased substantially and the Charity shop contribution increased to £560,477. As mentioned above, legacy income is by its nature is unpredictable, but this year the total legacy income of £218,565 fell well short of expectations and was a significant factor in the year's deficit.

NHS income has increased 7% to £2,499,500 for the operation of the Hospice. The new Greenwich Care Partnership (GCP) service has been fully funded by Greenwich PCT, and a significant amount of these costs are paid to the Hospice's GCP partners, Marie Curie Cancer Care and Oxleas NHS Foundation. NHS income represents 44.6% of income of the Group, excluding the fully funded GCP service and restricted capital grants, meaning that we must raise the rest through support of individuals, businesses, charitable trusts and foundations, and community groups and organisations. In 2011/12 the Hospice received capital grants of £800,000 from Greenwich PCT and £400,000 of this has been utilised during the year.

With the recent government health reforms, the Hospice is entering a period of significant uncertainty around its statutory funding. The recent *palliative care funding review* proposed a potential new model of funding but this will not be implemented until 2014/15 at the earliest. The changes in commissioning arrangements and personnel as well as the difficult financial position of other local NHS organisations have necessitated the Hospice to develop new relationships and to

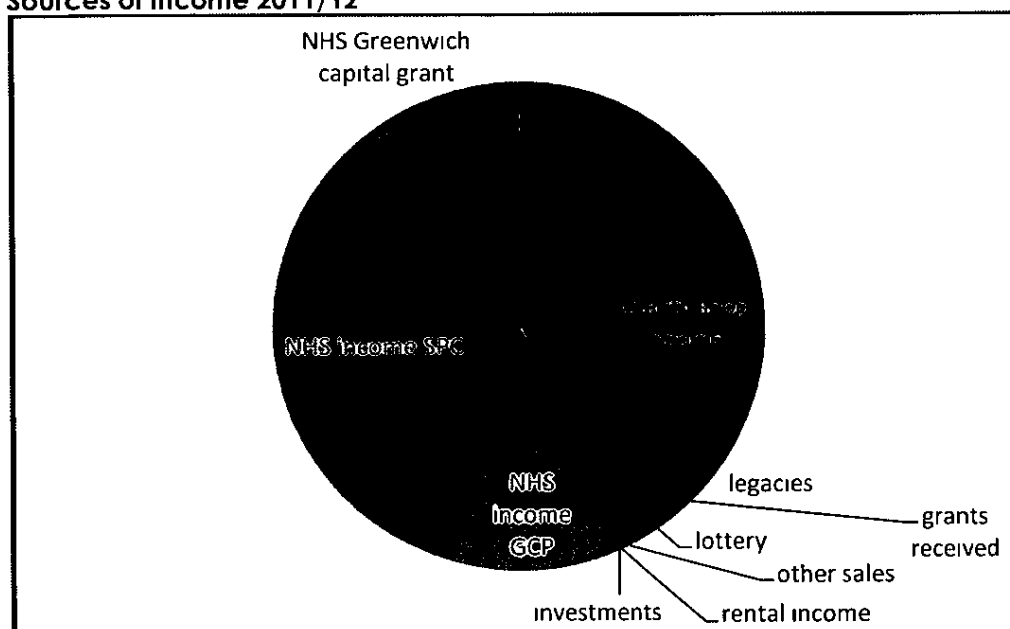
TRUSTEES' REPORT (continued)

work hard to inform others about our work. The difficulties of achieving additional and sustained statutory income have also necessitated the growth that we are starting to see in voluntary income and this is likely to continue into the future.

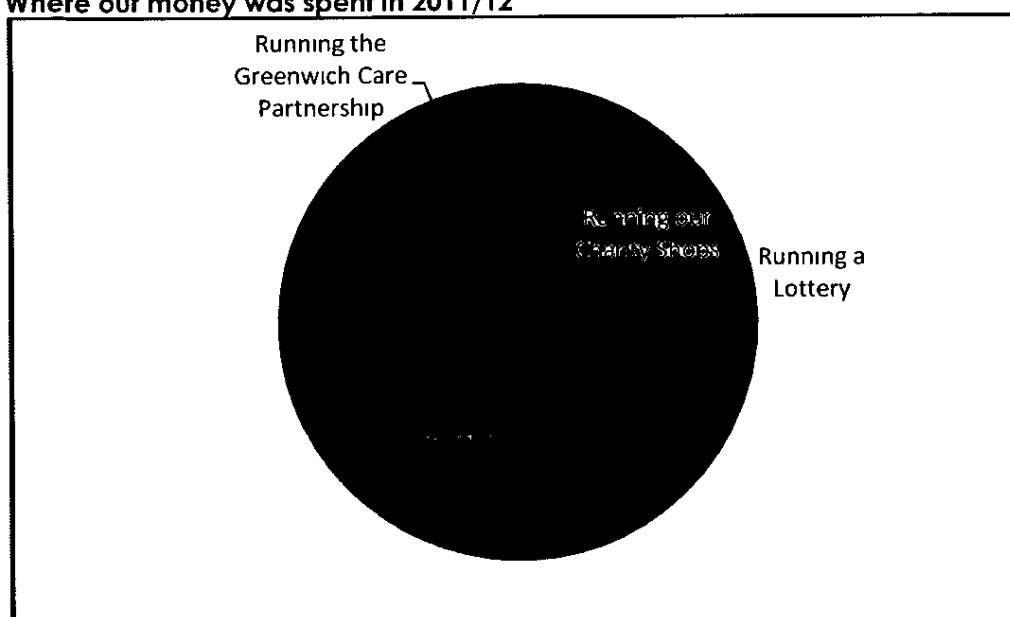
During the latter part of the year the Hospice underwent a significant restructure in order to provide a strong operational foundation for the future delivery of services and to achieve a break even budget for 2012/13.

As described in Note 13, it was identified during the year that the transfer to the company of the land and buildings on which the charity's main operations is located was made on restrictive terms. Following legal opinion and the Charity Commissioners' approval, the net book value of the land and buildings, including improvements to date, totalling £4,057,993 has now been transferred to a separate restricted fund. They were previously reported in a separate designated fund.

Sources of Income 2011/12



Where our money was spent in 2011/12



For every £1 we spent on raising funds, we received £4 in return

TRUSTEES' REPORT (continued)

Reserves Policy

The Trustees hold reserves for the Hospice to create financial security and allow for the future operational development of the Hospice. The Trustees have agreed it is their intention to retain a level of free reserves (unrestricted funds not committed or invested in fixed assets) to enable the Hospice to cover its running costs for six months.

The Trustees have established a Fixed Assets Reserve, equivalent to the Net Book Value of Fixed Assets, in order to make the level of free reserves more transparent. As described above and in Note 13, the net book value of the land and buildings on which the charity's main operations are located has been transferred to a restricted fund. The Fixed Assets Reserve now represents the net book value of fixed assets other than land and buildings on which the charity's main operations are located.

An Investment Fund existed to reflect the value of the funds held and managed by the charity's investment managers. During the year the trustees decided to liquidate the investment portfolio and to hold the funds as cash and instructed Cazenove accordingly. At 31 March 2012 there remained £159,229 of investment funds yet to be realised but the trustees agreed that these remaining funds should be released from the designated fund and transferred back to the General Fund at that date.

There is an additional designated fund - the 'Bexley Outreach Fund'. This fund has been committed to help cover the costs of scheduled developments to our community outreach team in Bexley over the three years to 2012/13.

The Hospice's free reserves are thus represented in the accounts by the 'General Fund' and at 31 March 2012 amounted to £2,438,032, equivalent to running costs for 2011/12 of approximately 4.4 months. The Trustees will strive to maintain free reserves to the target level as stated above.

Investment powers, policy and performance

The Investment Committee is in place to monitor the investments under the powers laid down in the Memorandum and Articles of Association. The charity held an investment portfolio managed on behalf of the charity by Cazenove. The Trustees had agreed an investment policy to preserve capital with an expectation of some modest growth to maintain purchasing power after inflation, with a modest income yield. This policy is reviewed annually. The Investment Committee meet with the investment managers at least once a year to review performance.

During the year the trustees considered the uncertain world economic situation and the continuing difficulties regarding the Euro which had an unsettling effect on stock-markets. The trustees felt that the risks inherent in world stock-markets no longer made it appropriate for the charity to have a significant portion of its free reserves held in an investment portfolio and that they would be better held in cash. Consequently the trustees instructed Cazenove to liquidate all of the investment portfolio and convert it back into cash. At 31 March 2012 Cazenove had realised all investments except a long term hedge fund investment which had a value of £159,229 at that date. (This investment has subsequently been liquidated and the cash funds have been received by the charity.)

During 2011/12 the investments generated income of £19,448 (2011: £22,214). At 31 March 2012 the value of the portfolio was £159,229 (2011: £1,140,440) and there were realised and unrealised losses during the year of £48,985. The investment performance was in line with the markets and the benchmark.

TRUSTEES REPORT (continued)

PLANS FOR THE FUTURE

Objectives for 2012/13

During the course of this year the international economic downturn continues to have an effect. The Trustees continue to review the strategic plan on a regular basis to take into account potential areas for development, balanced against the risk of additional expenditure and the need for additional income. Any new developments must be funded appropriately and the long term funding impacts be planned for in advance.

Our objectives for 2012/13 are

Corporate Objectives

- To achieve financial stability including building the Hospice reserves to meet the 6 month target
- Following the recent service review, to continue to develop our clinical services to respond to local need and other external changes
- To ensure quality across all of our services through better monitoring and service user involvement
- To successfully complete the National Cancer Action Team's "Peer Review" Process
- To develop volunteering across the Hospice to ensure we respond positively to external opportunities and value our existing volunteers across the whole organisation
- To build upon our estates strategy, ensuring our estate continues to meet the future needs of the organisation and it's patients and where possible, to reduce our environmental impact
- To continue to strengthen our relationships with GPs and other commissioners of care, providing services to meet the needs of the population and receiving appropriate levels of statutory funding for their delivery
- To establish an income generation committee to support the development of new and existing streams of voluntary funding, in particular in memoriam funding, legacies and grants
- To ensure the necessary structures are in place to enable the Hospice to link into the NHS network, to improve communication with NHS colleagues
- To launch a capital appeal to enable development of our rehabilitation, education and community services
- To continue to communicate well with the public and professionals to ensure that our patients/ prospective patients are able to access appropriate care when they need it and that we maintain existing and attract new supporters

Specific Service/ Departmental Developments

- To secure the ongoing contract for delivery of the Greenwich Care Partnership service, further refining the model and supporting more people to be cared for and die in Greenwich and to ensure its continuation and development into year 2
- To develop a volunteer befriending and advance care planning service to support our increasing number of patients who wish to remain at home
- To continue to work towards 24 hour admission to our inpatient unit, in order to further develop our seamless care
- To implement an Electronic HR system to provide a more efficient system to support recruitment, appraisal, sickness management and recording of training
- To continue to extend our portfolio of education to a greater number and broader range of health and social care professionals
- To open a new retail unit and to trial a House Clearance service as another stream of income

TRUSTEES REPORT (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

Greenwich & Bexley Community Hospice Limited is a company limited by guarantee and not having a share capital is governed by its Memorandum and Articles of Association dated 15th September 1992 and amended to meet the developing needs of the charity on 15th January 1993, 8th January 2001, 10th July 2006 and 8th June 2011. The member's liability is limited. Every member of the company undertakes to contribute up to £1 to the assets of the company in the event of it being wound up. It is a registered charity with the Charity Commission (No 1017406). The number of members of the company is limited to 50, of whom Gerald Christopher Peters shall be entitled to life membership of the company. Present membership is 14, every person desirous of becoming a member must sign and deliver to the company an application for membership. The sole right to membership is vested in the committee (Board of Management – see below) who may, without showing cause, refuse to admit any application to membership.

Board of Management

The business of the Charity is managed by a Board of Management (the Trustees) and its membership comes from within the members of the company. It is an objective to have members on the Board of Management whose skills and expertise complement the needs and aspirations of the workings of a Hospice and its business. Current membership of the Board of Management is 7 and the Articles of Association determine a minimum of four and a maximum of 12.

At each Annual General Meeting those Trustees who have served for a period of four years since their last appointment shall retire and be eligible for re-appointment, via election by Members, for a further four years term of office.

Each Designated Officer (Chair, Deputy Chair, Treasurer and Secretary) is elected by and from within the Board of Management to serve a period of up to 4 years following which the position will become subject to re-election.

Trustee induction and ongoing training

New Trustees undergo an orientation to brief them on their role and the various aspects of the Hospice service and to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and recent financial performance of the charity. Trustees are encouraged to attend appropriate external training events which may facilitate the undertaking of their role. There is an annual review and appraisal of trustees' individual roles within the organisation.

Organisation

The Board meets monthly and in 2011/12 there were five sub committees, Finance, Clinical Governance and Development, Investment, Information Governance and Health and Safety. The committee structures and membership are currently under review following the Hospice restructure which took place in the spring of 2012. The Board, along with officers of the company have an annual "Away Day" to discuss the future development of the Hospice and its services. The post of Chief Executive has been established by the Trustees to manage the day to day operations of the Hospice and to lead its Strategic Development. To facilitate effective operations the Chief Executive has delegated authority, within terms of delegation approved by the Trustees, for operational matters including finance, employment and Care Quality Commission Registration.

Regulatory Framework

The Hospice is registered with the Care Quality Commission to enable it to operate as a Hospice. Penny Jones, Director of Care Services is currently the Registered Manager and Dr David Robson, Chairman is the Responsible Person. The Hospice maintains a schedule of compliance with the relevant Statutory Regulations and may be inspected by the CQC twice annually, by announced and/or unannounced inspection. The Hospice was inspected in October 2011.

TRUSTEES REPORT (continued)

Investors in People

The "Investors in People" standard was achieved in 2000, it was renewed following the reaccreditation process in 2006 and 2010

Related parties

The Hospice has close relationships with NHS Greenwich and NHS Bexley which both support the charity's work including a significant financial contribution (see p 19). Close working relationships exist with other health care providers within the community in particular, South London Healthcare NHS Trust, Oxleas NHS Foundation Trust and Marie Curie Cancer Care

The Hospice has two wholly owned subsidiary trading companies – GBCH Trading limited and London Hospices' Lottery Limited. Details of their activities are highlighted in note 9 of these accounts

Risk Management

The Trustees implement a Risk Management Strategy which comprises of

- A quarterly review of the charity's risk register
- The establishment of systems and procedures to mitigate those risks identified in the register
- The implementation of procedures designed to minimise any potential impact on the charity should those risks materialise

The Trustees review the financial accounts on a monthly basis and constantly review the level of reserves which it is felt prudent should be held

Trustees carry out unannounced and announced inspections to Hospice premises and events throughout the year and feedback their findings to the Senior Management Team and Board

TRUSTEES' RESPONSIBILITIES IN RELATION TO THE FINANCIAL STATEMENTS

The Trustees (who are also directors of Greenwich & Bexley Community Hospice Limited for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company/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 of the Charities SORP,*
- *Make sound judgements and estimates that are reasonable and prudent,*
- *State whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,*
- *Prepare the financial statements on the going concern basis unless it is appropriate to presume that the charity will not continue in business*

TRUSTEES REPORT (continued)

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time of 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 accordance with company law, as the company's directors, we certify that

So far as we are aware, there is no relevant audit information of which the company's auditors are unaware.

As the directors of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

Auditors

A resolution will be proposed at the Annual General Meeting that Haysmacintyre be reappointed as auditors to the charity for the ensuing year.

By Order of the Trustees

A handwritten signature in black ink, appearing to read 'D.3. Robson'.

Dr David Robson
Chairman

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF GREENWICH & BEXLEY COMMUNITY HOSPICE

We have audited the financial statements of Greenwich & Bexley Community Hospice for the year ended 31 March 2012 which comprise the Consolidated Statement of Financial Activities (SOFA), Charity and Consolidated Balance Sheets, the Consolidated Cash Flow 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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditor

As explained more fully in the Trustees' Responsibilities in Relation to the Financial Statements set out in the Trustees' Report, 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.

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 (APB'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 charitable company's and group'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 Trustees' Report to identify material inconsistencies with the audited financial statements. 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 charitable company's and group's affairs as at 31 March 2012 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' 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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, or

- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of trustees' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

R Weaver
Richard Weaver (Senior Statutory Auditor)
For and on behalf of haysmacintyre, Statutory Auditor

Fairfax House
15 Fulwood Place
London
WC1V 6AY

... 27 September 2012

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

	Notes	Unrestricted Funds General £	Designated £	Restricted Funds £	2012 £	2011 £
INCOMING RESOURCES						
Income from generated funds:						
Voluntary Income						
General donations		884,993	-	60,966	945,959	805,970
Charity shop donations		220,998	-	-	220,998	179,584
Grants received		-	-	964,948	964,948	252,257
Legacies		218,565	-	-	218,565	585,341
Activities for generating funds:						
Charity shop income		1,304,423	-	-	1,304,423	1,152,336
Lottery income		250,377	-	-	250,377	152,247
Other sales income	2	70,585	-	-	70,585	75,186
Rental income		10,052	-	-	10,052	7,656
Interest receivable		4,875	-	-	4,875	2,815
Investment income		-	19,448	-	19,448	22,214
Incoming resources from charitable activities:						
Operating a Hospice - NHS income		2,499,500	-	-	2,499,500	2,328,365
Greenwich Care Partnership - NHS Income		800,000	-	-	800,000	-
Other income		37,791	-	-	37,791	25,477
Total Incoming Resources		6,302,159	19,448	1,025,914	7,347,521	5,589,448
RESOURCES EXPENDED						
Cost of generating funds						
Fundraising and marketing costs		508,054	-	-	508,054	495,390
Charity shop expenditure		964,944	-	-	964,944	991,932
Lottery expenditure		142,593	-	-	142,593	143,570
Charitable activities						
Operating a Hospice - Clinical expenses		4,631,196	60,000	140,952	4,832,148	4,537,032
Greenwich Care Partnership - Clinical Expenses		761,393	-	-	761,393	-
Governance costs		31,752	-	-	31,752	29,387
Total Resources Expended	3	7,039,932	60,000	140,952	7,240,884	6,197,311
Net incoming resources before Transfers						
Transfers	6	(737,773)	(40,552)	884,962	106,637	(607,863)
Transfers between funds	13	1,402,925	(4,895,970)	3,493,045	-	-
Net Outgoing Resources		665,152	(4,936,522)	4,378,007	106,637	(607,863)
Other recognised gains/(losses).						
Net (losses)/gains on investments	9	-	(48,985)	-	(48,985)	50,260
		665,152	(4,985,507)	4,378,007	57,652	(557,603)
BALANCE BROUGHT FORWARD at 1/4/11		1,789,710	5,312,385	79,986	7,182,081	7,739,684
BALANCE CARRIED FORWARD at 31/3/12		2,454,862	326,878	4,457,993	7,239,733	7,182,081

GREENWICH & BEXLEY COMMUNITY HOSPICE LIMITED
(A charitable company limited by guarantee)

For the year ended
31 March 2012

No summary income and expenditure account has been prepared as the information is clearly given in the above statement. All transactions are derived from continuing activities.

The accompanying notes form part of these financial statements.

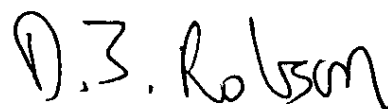
CONSOLIDATED AND CHARITY BALANCE SHEETS
As at 31 March 2012

COMPANY NUMBER 2747475


	Notes	The Group		The Charity	
		2012 £	2011 £	2012 £	2011 £
FIXED ASSETS					
Tangible assets	8	4,341,701	4,077,259	4,324,871	4,051,945
Investments	9	159,229	1,140,440	160,231	1,141,442
		<u>4,500,930</u>	<u>5,217,699</u>	<u>4,485,102</u>	<u>5,193,387</u>
CURRENT ASSETS					
Stocks	10	28,682	33,346	4,841	7,625
Debtors	11	215,608	435,707	685,134	759,602
Cash on deposit, at bank and in hand		3,135,983	2,455,646	2,611,808	2,117,878
		<u>3,380,273</u>	<u>2,924,699</u>	<u>3,301,783</u>	<u>2,885,105</u>
CREDITORS.					
Amounts falling due within one year	12	(641,470)	(960,317)	(547,152)	(875,644)
NET CURRENT ASSETS		<u>2,738,803</u>	<u>1,964,382</u>	<u>2,754,631</u>	<u>2,009,461</u>
NET ASSETS		<u><u>£7,239,733</u></u>	<u><u>£7,182,081</u></u>	<u><u>£7,239,733</u></u>	<u><u>£7,202,848</u></u>
FUNDS					
UNRESTRICTED FUNDS:					
General Fund					
(including revaluation reserve of £3,549)		2,454,862	1,810,477	2,454,862	1,810,477
Lottery company reserves		-	(20,767)	-	-
Designated Funds					
Fixed Assets Fund		266,878	4,051,945	266,878	4,051,945
Bexley Outreach Fund ¹		60,000	120,000	60,000	120,000
Investment Fund		-	1,140,440	-	1,140,440
RESTRICTED FUNDS.					
Capital Grant Fund		400,000	-	400,000	-
Property Fund		4,057,993	-	4,057,993	-
Greenwich Palliative Care Fund		-	24,000	-	24,000
Lymphoedema Project		-	5,000	-	5,000
Patient Information Project Fund		-	24,543	-	24,543
Queen Elizabeth Fund		-	26,443	-	26,443
	14	<u><u>£7,239,733</u></u>	<u><u>£7,182,081</u></u>	<u><u>£7,239,733</u></u>	<u><u>£7,202,848</u></u>

The financial statements were approved and authorised for issue by the Board of Directors on 12th September 2012 and were signed below on its behalf by

Dr David Robson - Director



David Matheson - Director



¹ The 'Bexley Outreach Fund' has been committed to help cover the costs of scheduled developments to our community outreach team in Bexley over the three years to 2012/13

The accompanying notes form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2012

	Notes	2012 £	2011 £
NET CASH INFLOW FROM OPERATING ACTIVITIES	1	183,161	42,272
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Interest paid		-	(1,733)
Interest received		4,875	2,815
CAPITAL EXPENDITURE			
Payments to acquire fixed assets		(439,925)	(407,339)
Purchase of investments		(225,724)	(112,741)
Sale of investments		1,157,950	90,527
CASH INFLOW/ (OUTFLOW) BEFORE FINANCING		680,337	(386,199)
FINANCING			
Bank loan		-	-
INCREASE/ (DECREASE) IN CASH		<u>£680,337</u>	<u>£(386,199)</u>

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

1	RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES		2012 £	2011 £
	Net incoming/(outgoing) resources		106,637	(607,863)
	Depreciation charge		175,483	144,253
	Decrease/(increase) in stock		4,664	(8,696)
	Decrease in debtors		220,099	49,488
	(Decrease)/increase in creditors		(318,847)	466,172
	Interest payable		-	1,733
	Interest received		(4,875)	(2,815)
	Net cash inflow from operating activities		<u>£183,161</u>	<u>£42,272</u>
2.	ANALYSIS OF CHANGES IN NET FUNDS		Other Changes £	At 31/3/12 £
	At 1/4/11 £	Cash Flows £		
	2,455,646	680,337	-	3,135,983
	<u>£2,455,646</u>	<u>£680,337</u>	<u>£-</u>	<u>£3,135,983</u>
3	RECONCILIATION OF NET CASH (OUTFLOW)/INFLOW TO MOVEMENT IN NET FUNDS		2012 £	2011 £
	Increase/(Decrease) in cash in the year		680,337	(386,199)
	Movement in net funds in the year		680,337	(386,199)
	Opening net funds		2,455,646	2,841,845
	Closing net funds		<u>£3,135,983</u>	<u>£2,455,646</u>

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention (as modified by the revaluation of certain fixed assets) and are in accordance with applicable accounting standards and the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 and the Companies Act 2006. The following accounting policies have been applied -

Consolidation

The group financial statements consolidate the financial statements of the charitable company and its wholly owned subsidiaries, GBCH Trading Limited and London Hospices Lottery Limited.

Incoming Resources

The incoming resources represent donations and general income, including amounts received from local health authorities (NHS) towards the operational costs of the charity. All incoming resources are included in the SOFA when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Legacies are included on receipt of the legacy or on notification of a legacy due to the hospice. Income is derived entirely within the United Kingdom.

Charity shop income is recognised as the related goods and services are provided.

Resources expended

Expenditure is accounted for on an accruals basis and includes irrecoverable VAT which is reported as part of the expenditure to which it relates.

Costs of generating funds are those costs incurred to raise voluntary income and costs of trading activities for the purpose of raising funds.

Charitable activities relate to costs incurred in delivering the charity's activities and services to its beneficiaries.

Governance costs are costs incurred in meeting the constitutional and statutory requirements of the charity.

Fixed Assets

Depreciation is provided to write off the cost or valuation, less estimated residual values, of all fixed assets, except freehold land over their expected useful lives. It is calculated at the following rates:

Freehold buildings	1% straight line
Fixture, Fittings and equipment	33 ¹ / ₃ % straight line
Motor vehicles	25% straight line

Donated assets are included at value on the date received.

Investments

Investments are stated at market value at the balance sheet date. Any gain or loss on revaluation is taken to the SOFA.

NOTES TO THE FINANCIAL STATEMENTS (continued)

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Pension Costs

Contributions to the NHS and Stakeholder pension schemes in respect of eligible employees are charged to the income and expenditure account as they become payable. Both schemes are defined contribution schemes.

Operating Leases

Rentals payable under operating leases are charged to the Statement of Financial Activities (SOFA) as incurred over the term of the lease.

Funds

Unrestricted funds are funds that can be used in accordance with the charitable objects at the discretion of the trustees.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Restricted funds comprise monies raised for, and their use restricted to a specific purpose or donations subject to donor imposed conditions.

2	OTHER SALES INCOME	2012 £	2011 £
	Catering Income	18,616	19,793
	Training Income	51,090	52,660
	Sale of Supplies	879	2,733
		<u>£70,585</u>	<u>£75,186</u>

3 TOTAL RESOURCES EXPENDED

3a	Direct and Support costs	Direct Costs £	Support £	Total 2012 £	Total 2011 £
	Costs of generating funds				
	Fundraising and marketing costs	453,734	54,320	508,054	495,390
	Charity shop expenditure	941,765	23,179	964,944	991,932
	Lottery expenditure	140,193	2,400	142,593	143,570
	Charitable activities				
	Operating a Hospice				
	Clinical expenses	4,384,534	447,614	4,832,148	4,537,032
	Greenwich Care Partnership				
	Clinical Expenses	678,553	82,840	761,393	-
	Governance costs	4,100	27,652	31,752	29,387
	Resources Expended	<u>£6,602,879</u>	<u>£638,005</u>	<u>£7,240,884</u>	<u>£6,197,311</u>

NOTES TO THE FINANCIAL STATEMENTS (continued)

3b

Support costs	Administration £	Finance and IT £	Office Costs £	Total 2012 £	Total 2011 £
Costs of generating funds					
Fundraising and marketing costs	14,348	30,058	9915	54,321	53,076
Charity shop expenditure	20,104	3,075	-	23,179	22,657
Lottery expenditure	-	2,400	-	2,400	4,056
Charitable activities					
Operating a Hospice					
Clinical expenses	118,231	247,683	81,699	447,613	450,037
Greenwich Care Partnership	21,881	45,839	15,120	82,840	-
Governance Costs	10,179	17,473	-	27,652	25,462
	<u>£184,743</u>	<u>£346,528</u>	<u>106,734</u>	<u>£638,005</u>	<u>£555,288</u>

Where support costs are not incurred specifically for an activity heading, they are allocated on the basis of the number and level of staff employed within the appropriate activity heading

4 Employees

	2012 Number	2011 Number
Average number of employees, excluding Directors	165	147
Full time equivalent figures	129	121
Staff costs consisted of	£	£
Salaries	3,971,289	3,542,878
Social security costs	342,951	317,571
Other pension costs	218,361	203,893
	<u>4,532,601</u>	<u>4,064,342</u>
Agency	109,879	81,388
Medical services	360,788	298,341
	<u>£5,003,268</u>	<u>£4,444,071</u>

The number of employees whose emoluments exceeded £60,000 per annum were

£60,000 - £69,999	2	-
£70,000 - £79,999	1	2
	<u>3</u>	<u>2</u>

Contributions were made into a defined contribution pension scheme on behalf of our employees

5 TRUSTEES REMUNERATION AND EXPENSES

None of the Trustees received any remuneration from the company during the year

NOTES TO THE FINANCIAL STATEMENTS (continued)

6 NET INCOMING RESOURCES

The net incoming resources are stated after charging
Auditors remuneration (excluding VAT)

- for audit
- for other services

Depreciation

2012 £	2011 £
10,050	9,750
240	445
<u>175,483</u>	<u>144,253</u>

7 TAXATION

The company is a registered charity. No UK corporation tax liability arises.

8 TANGIBLE ASSETS - GROUP

	Freehold Land and Buildings £	Equipment Furniture & Fittings £	Motor Vehicles £	Charity Total £	Subsidiary Furniture, Equipment & Vehicles £	Group Total £
Cost or valuation						
At 1 April 2011	4,135,597	1,248,252	86,463	5,470,312	136,967	5,607,279
Additions	350,897	48,143	40,885	439,925	-	439,925
Disposals	-	-	(16,684)	(16,684)	-	(16,684)
At 31 March 2012	<u>4,486,494</u>	<u>1,296,395</u>	<u>110,664</u>	<u>5,893,553</u>	<u>136,967</u>	<u>6,030,520</u>
Depreciation						
At 1 April 2011	384,860	947,044	86,463	1,418,367	111,653	1,530,020
Provided for the year	43,641	121,654	1,704	166,999	8,484	175,483
Disposals	-	-	(16,684)	(16,684)	-	(16,684)
At 31 March 2012	<u>428,501</u>	<u>1,068,698</u>	<u>71,483</u>	<u>1,568,682</u>	<u>120,137</u>	<u>1,688,819</u>
Net Book Value						
At 31 March 2012	<u>£4,057,993</u>	<u>£227,697</u>	<u>£39,181</u>	<u>£4,324,871</u>	<u>£16,830</u>	<u>£4,341,701</u>
At 31 March 2011	<u>£3,750,737</u>	<u>£301,208</u>	<u>£-</u>	<u>£4,051,945</u>	<u>£25,314</u>	<u>£4,077,259</u>

Included in additions are costs of £149,948 which have been funded by a SEIF capital grant

NOTES TO THE FINANCIAL STATEMENTS (continued)

9	FIXED ASSET INVESTMENTS	2012	2011
		£	£
	Group		
	Investments		
	Market value at 1 April 2011	1,054,458	898,212
	Additions	225,724	196,513
	Disposals	(1,072,299)	(90,527)
	(Losses)/gains on investments	(48,985)	50,260
		<u>158,898</u>	<u>1,054,458</u>
	Cash held by investment managers	331	85,982
		<u>£159,229</u>	<u>£1,140,440</u>
	At 31 March 2012		
	Charity		
	Investments – as above	159,229	1,140,440
	Shares in subsidiary companies at cost	1,002	1,002
		<u>£160,231</u>	<u>£1,141,442</u>
	At 31 March 2012		

The historical cost of listed investments at 31 March 2012 was £155,680 (2011, £1,060,033)

The charity predominantly invests in Common Investment Funds (CIFs) which are collective investment schemes. They are set up by Schemes approved by the Charity Commission under section 96 of the Charities Act 2011.

The following investments constitute more than 5% of the investment portfolio

Cazenove Inv Absolute Return Trust for Charities 99.8%

During the year the trustees instructed the investment managers to liquidate all the investments and convert funds into cash. At 31 March 2012 the managers had realised all investments except a long term hedge fund, which has been realised subsequently.

Investment in subsidiary undertakings	2012	2011
	£	£
Cost and Director's valuation		
GBCH Trading Limited	1,000	1,000
London Hospice's Lottery Ltd	2	2
	<u>£1,002</u>	<u>£1,002</u>
At 31 March 2012		

The charitable company owns 100% of the share capital of GBCH Trading Ltd being 1,000 Ordinary Shares of £1 each and 100% of the share capital of London Hospices' Lottery Limited being 2 Ordinary Shares of £1 each.

The subsidiaries are registered in the United Kingdom. The principal activity of GBCH Trading Ltd is the operation of charity shops. The principal activity of London Hospices' Lottery Ltd is to generate funds for the parent company through the operation of a lottery. Where applicable, the total net taxable profits are donated to the charity by gift aid.

A summary of the results of the subsidiaries are shown below

NOTES TO THE FINANCIAL STATEMENTS (continued)

9. FIXED ASSETS INVESTMENTS(continued)

	2012 £	2011 £
GBCH Trading Limited		
Turnover	1,304,423	1,152,336
Cost of sales	(54,539)	(87,817)
Gross profit	1,249,884	1,064,519
Administrative expenses	(910,406)	(904,116)
Operating profit	339,478	160,403
Interest receivable	-	8
Donation to parent charity	339,478 (339,478)	160,411 (160,411)
Retained in subsidiary	-	-

The net assets of the subsidiary as at 31 March 2012 were £1,000

London Hospices' Lottery Limited

	2012 £	2011 £
Turnover	250,377	152,247
Cost of sales	(82,475)	(78,020)
Gross profit	167,902	74,227
Administrative expenses	(60,118)	(65,550)
Operating profit	107,784	8,677
Interest payable	(750)	(750)
Donation to parent charity	107,034 (86,267)	7,927 -
Retained in subsidiary	20,767	7,927

The net assets of the subsidiary as at 31 March 2012 were £2

10 STOCKS

	The Group		The Charity	
	2012 £	2011 £	2012 £	2011 £
Materials	£28,682	£33,346	£4,841	£7,625

11. DEBTORS

	The Group		The Charity	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	8,933	9,254	8,933	9,254
Prepayments	89,479	78,913	9,898	10,848
Accrued income	100,083	320,634	100,083	320,634
Other debtors	17,113	26,906	16,907	26,906
Loans (see below)	-	-	37,500	37,500
Amounts due from subsidiaries	-	-	511,813	354,460
	£215,608	£435,707	£685,134	£759,602

The loan relates to contributions towards the initial costs of the London Hospices' Lottery, a wholly owned subsidiary of the Charity. Interest is charged at 1.5% above Bank of England base rate and is repayable on or before 31 March 2013.

NOTES TO THE FINANCIAL STATEMENTS (continued)

12 CREDITORS: amounts falling due within one year	The Group		The Charity	
	2012 £	2011 £	2012 £	2011 £
Trade creditors	218,481	411,334	179,401	371,196
Other taxes and social security	99,647	184,182	99,647	184,182
Accruals	297,759	220,660	268,104	200,266
Deferred income	25,583	144,141	-	120,000
	<u>£641,470</u>	<u>£960,317</u>	<u>£547,152</u>	<u>£875,644</u>

13. STATEMENT OF FUNDS

	At 1/4/11 £	Income £	Expenditure £	Investment gains and Transfers £	At 31/3/12 £
Restricted Funds					
Greenwich PCT Capital Grant	-	800,000	-	(400,000)	400,000
Donations	-	60,966	(60,966)	-	-
Other Grants	-	15,000	-	(15,000)	-
SEIF Capital Grant	-	149,948	-	(149,948)	-
Greenwich Palliative Care Fund	24,000	-	(24,000)	-	-
Lymphoedema Project	5,000	-	(5,000)	-	-
Patient Information Project Fund	24,543	-	(24,543)	-	-
Queen Elizabeth Fund	26,443	-	(26,443)	-	-
Property Fund	-	-	-	4,057,993	4,057,993
Unrestricted Funds					
Designated:					
Fixed Assets Fund	4,051,945	-	-	(3,785,067)	266,878
Bexley Outreach Fund	120,000	-	(60,000)	-	60,000
Investment Fund	1,140,440	19,448	-	(1,159,888)	-
General Fund	1,810,477	4,747,359	(5,505,899)	1,402,925	2,454,862
Charity Total	<u>7,202,848</u>	<u>5,792,721</u>	<u>(5,706,851)</u>	<u>(48,985)</u>	<u>7,239,733</u>
Subsidiaries reserves	(20,767)	1,554,800	(1,534,033)	-	-
Group Total	<u>£7,182,081</u>	<u>£7,347,521</u>	<u>£(7,240,884)</u>	<u>£(48,985)</u>	<u>£7,239,733</u>

The trustees have designated funds out of the unrestricted funds for specific purposes as follows -

Fixed Assets Fund

In order to fulfil its charitable objectives the charity needs its fixed assets. These assets, although unrestricted, cannot be realised without undermining the charity's work and the trustees therefore feel that it is appropriate to reflect the investment in fixed assets by means of a designated fund.

Bexley Outreach Fund

The 'Bexley Outreach Fund' has been committed to help cover the costs of scheduled developments to our community outreach team in Bexley over the three years to 2012/13.

Investment Fund

During the year the trustees decided to liquidate the investment portfolio and to hold the funds in cash. Accordingly the trustees agreed that all funds should be realised from the designated fund and transferred to the General Fund.

NOTES TO THE FINANCIAL STATEMENTS (continued)

The Charity has the following restricted funds:

Greenwich PCT Capital Grant Fund

Funds received from NHS Greenwich to finance capital projects

Property Fund

During the year, the charity conducted a thorough review of statutory documents relating to its main asset, the Hospice premises. The exercise identified that the predecessor organisation, an unincorporated charity, transferred the land and buildings on which the charity's main operations is located, to the charity on restrictive terms for the sum of £1. The transfer documentation predates the SORP and Charities Act and consequently, the charity obtained legal opinion on the extent to which the documentation may restrict the charity's use of the asset.

Legal opinion clarified restrictive terms that the property is held on trust by Greenwich & Bexley Community Hospice on behalf of the predecessor organisation. However, the charity has the legal right to register charges against the property and it could be indemnified out of the premises in respect of liabilities properly incurred in the charity's role of trustee.

Accordingly, the net book value of the land and buildings together with all improvements made to date on the premises which hitherto were reported as part of a separate designated fund in the accounts, have now been transferred to a separate restricted fund.

Social Enterprise Investment Fund (SEIF)

£149,948 received from SEIF to finance capital works was fully expended as at 31 March 2012.

14. ANALYSIS OF GROUP NET ASSETS BY FUNDS

	General Fund £	Fixed Assets Fund £	Other Designated Funds £	Restricted Funds £	Subsidiary Reserves £	Total £
Fixed assets	159,229	266,878		4,057,993	16,830	4,500,930
Current assets	2,292,205		60,000	400,000	628,068	3,380,273
Current liabilities	3,428				(644,898)	(641,470)
	<u>£2,454,862</u>	<u>£266,878</u>	<u>£60,000</u>	<u>£4,457,993</u>	<u>£-</u>	<u>£7,239,733</u>

15. PENSIONS

The company contributes to the NHS and Stakeholder pension schemes in respect of eligible employees. The assets of the schemes are held separately from those of the company in independently administered funds. The pension cost represents contributions payable by the company to the pension scheme funds. The NHS scheme is a multi-employer deferred benefits scheme which is underwritten by the Treasury. The charity's obligations are limited to its annual contributions. The scheme currently has an employee contribution of between 5% and 9.9% and an employer contribution of 1.4%. The Stakeholder Scheme has an employee contribution decided by the employee and the employer contribution is 1% above the employee's contributions up to a maximum of 7%. The total employers pensions contribution for the year amounted to £218,361 (2011: £203,893) and as at the balance sheet date the company held total contributions of £26,627 (2011: £55,476) that were payable to the pension schemes.

NOTES TO THE FINANCIAL STATEMENTS (continued)

16 OPERATING LEASE COMMITMENTS	2012		2011	
	Land & Buildings £	Other £	Land & Buildings £	Other £
As at 31 March 2012, the charity had annual lease rental commitments totalling				
Leases expiring within 1 year	53,505	1,058	25,500	-
Leases expiring within 1-2 years	11,000	1,230	26,500	1,058
Leases expiring within 2-5 years	176,750	2,416	144,850	3,647
Leases expiring after 5 years	-	-	41,900	-
	<u>£241,255</u>	<u>£4,704</u>	<u>£238,750</u>	<u>£4,705</u>
17. CAPITAL COMMITMENTS	2012		2011	
	£		£	
Authorised	-		£220,000	

18. CONTINGENT LIABILITY

The trustees are not aware of any contingent liabilities affecting these accounts