

Company Registration Number 2199373  
Registered Charity Number 297847

**THE IAIN RENNIE HOSPICE AT HOME  
CONSOLIDATED FINANCIAL STATEMENTS**

**31<sup>ST</sup> MARCH 2011**

**CANSDALES**

Chartered Accountants & Statutory Auditors  
Bourbon Court  
Nightingales Corner  
Little Chalfont  
Bucks  
HP7 9QS

# THE IAIN RENNIE HOSPICE AT HOME

## CONSOLIDATED FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2011

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## THE IAIN RENNIE HOSPICE AT HOME

## MEMBERS OF THE COUNCIL OF MANAGEMENT AND PROFESSIONAL ADVISERS

<b>Trustees and directors (Council of Management)</b>	Mr S Cuthbert CBE (Chairman of Council) Mr D Parkins (Vice Chairman) Dr C Alcock (resigned 1 April 2011) Mrs E Coleridge-Smith (resigned 12 April 2011) Mrs A Devillard-Pickavance (resigned 1 April 2011) Mrs H Gabbut (appointed 12 April 2011) Dr C Houlihan-Burne (resigned 12 April 2011) Mrs L King (appointed 12 April 2011) Mr C Langford (Treasurer) Mr D Lowbridge (resigned 12 April 2011) Mrs S McKee (resigned 1 April 2011) Mr G Munitz (resigned 8 September 2010) Mr P Murphy (resigned 12 April 2011) Dr J Nodder (resigned 1 April 2011) Professor A Palmer (resigned 1 April 2011) Mr C Ritchie (resigned 1 April 2011)
<b>Company secretary</b>	Mrs H Gabbut (appointed 12 April 2011) Mr C Langford (resigned 12 April 2011)
<b>Registered office</b>	Grove House Waverley Road St Albans Herts AL3 5QX
<b>Auditors</b>	Cansdales Chartered Accountants & Statutory Auditors Bourbon Court Nightingales Corner Little Chalfont Bucks HP7 9QS
<b>Bankers and financial advisors</b>	Barclays Bank plc Slough Corporate Banking Centre PO Box 23 Hamilton Road Slough BX3 2BB
<b>Solicitors</b>	Sherrards 45 Grosvenor Road St Albans Herts AL1 3AW  Mathew Waite & Co. Ariel House Frogmore Street Tring Herts HP23 5AU

## THE IAIN RENNIE HOSPICE AT HOME

## COUNCIL OF MANAGEMENT'S ANNUAL REPORT – CHAIRMAN'S STATEMENT

YEAR ENDED 31 MARCH 2011

As demand for our services continued to grow we looked after 1,056 patients with terminal illnesses in their own homes in the Chilterns in 2010/11, an increase of 8 per cent over the previous year. Besides caring for over 1,000 patients in the year for the first time, 2010 was our twenty fifth year of providing patient care. We have now looked after over 10,000 patients since we cared for our first patient, Iain Rennie, all those years ago.

In spite of continuing poor economic conditions our cash income increased by approximately £200,000 largely due to an excellent performance by our shops. The gift of a substantial investment property in the centre of High Wycombe from one of our long term donors resulted in total income increasing by £800,000. This building is currently being held for investment purposes, and the current year's income will thus benefit from the rental being obtained from the property but not the one off effect produced by this generous gift.

As we explained in this statement last year we increased our expenditure in 2010//11 to meet the continuing increased demand for our services by increasing the number of nurses in our nursing teams, developing a dedicated night time service, investing in new donor and patient databases, replacing aged computer servers and the associated systems, and moving our Fundraising department to new leased premises in Tring from the overcrowded main building in Western Road. As a result the deficit for the year before taking into account the gift of the investment property was £635,000. This deficit is significantly less than that forecast in this statement last year of £835,000. After taking account of the gift of the investment property the surplus for the year was £164,000. Regrettably income in the current year to date has been less than that budgeted, and a deficit now appears likely to result in the current year. We intend to meet this deficit from reserves. Our new reserves policy is explained in the Council of Management's report.

As our government funding remains essentially static, and at a level well below the national average for the hospice movement, we rely heavily on support from our local community and other generous donors to fund the ever growing demand for our services. In particular I should like to thank the Pepper Foundation for their wonderful support of our children's and family support services, the Roald Dahl Foundation for funding an additional paediatric nurse, the Richard Wilcox Welfare Charity, the RAF Benevolent Fund and the Hospice Lottery Partnership and many other grant making trusts for their great generosity.

We also thank our fundraising groups, the individuals who organise and participate in the hundreds of wonderful fundraising events, and all our volunteers, all of whom contributed to another successful year for Iain Rennie. Without their contributions we would simply not exist!

In January 2011 we announced our intention to merge with the St Albans and Dacorum Day Hospice operating and trading as Grove House in order to provide more care for more patients in the West Herts and Chilterns area. The merger was approved unanimously by the members of Iain Rennie present and voting at a general meeting held in March 2011, and on 1 April 2011 Iain Rennie Grove House Hospice Care, a newly incorporated charity formed to effect the merger, became the sole member of Iain Rennie and Grove House. The two entities, IRHH and Grove House, will continue to operate until such time as it becomes appropriate for them to be dissolved.

I should like to thank all the trustees who stood down on 31 March 2011 as part of the merger arrangements for their great contributions to the development of the charity, as well thanking Geoff Munitz, who resigned earlier in the year, and the continuing trustees for their support through a period of intense activity associated with the merger. I would also like to thank our staff, particularly our nurses, and our volunteers for all they contribute to the delivery of our services to our patients, their carers and their families, particularly during the adverse weather conditions we experienced in the Chilterns again last winter.



Steve Cuthbert CBE  
Chairman

5<sup>th</sup> Oct  
..... 2011

## THE IAIN RENNIE HOSPICE AT HOME

### COUNCIL OF MANAGEMENT'S ANNUAL REPORT

YEAR ENDED 31 MARCH 2011

#### MISSION STATEMENT

The Iain Rennie Hospice at Home is committed to the provision of specialist palliative nursing care in partnership with the Primary Health Care teams to give people the choice to be cared for at home.

#### INTRODUCTION

The Iain Rennie Hospice at Home continued to provide a hospice at home nursing service for terminally ill patients across the Chilterns area of Buckinghamshire and Hertfordshire in line with our Mission Statement. Patient numbers increased by 8% in the year rising from 978 in 2009/10 to 1056 in 2010-11.

The Iain Rennie Hospice at Home provides a high quality service that is highly responsive to patient and carer needs and our model of care acknowledges and respects patients' needs and choices when living with a terminal illness. The charity is also committed to providing supportive care for relatives and carers both pre- and post-bereavement through the work of our Family Support Team.

In line with the UK's independent hospice movement, the Iain Rennie Hospice at Home's services are provided free of charge to patients, their families and carers. Our nurses provide specialist nursing as well as practical, hands-on nursing care for patients of any age, both adults and children, with a range of terminal and life threatening illnesses. The service continues to operate on a 24 hour, responsive on-call basis, providing patient visits as well as advice over the telephone out of hours. All our services supported our commitment to offering patients choice about where they are cared for and where they wish to die.

The Iain Rennie Hospice at Home was adversely impacted by the economic downturn during the year in terms of income generation with general donations being particularly affected. The exceptional gift of property received within the year resulted in a financial surplus for the year but, without this windfall, the charity would have sustained a deficit.

We marked twenty five years of 24 hrs by 7 days a week nursing care with a celebratory event at West Wycombe Park. We are grateful to Sir Edward and Lady Dashwood for kindly providing such a spectacular venue.

#### CHARITABLE PURPOSE

The Iain Rennie Hospice at Home's charitable purposes are set out in the objects contained in the company's Memorandum of Association. In Section 3, the objects are defined as "the relief of sickness" and this object is further defined in relation to the charitable purposes through a further series of more detailed objects. The objects all support the charity's purpose which is the provision of a specialist palliative nursing care service to patients with a terminal or life limiting illness. This report looks in detail at the services we provide and at what we have achieved. It also helps us ensure our aim, objectives and activities remained focused on our stated purposes. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities.

#### PUBLIC BENEFIT

The focus of our work is the provision of three main services: our Nursing Service for Adults, our Children's Nursing Service and our Family and Bereavement Support Service. The achievements of these services are set out in detail later in this report. All of our services are provided free of charge to members of the public who meet our referral criteria. Our Nursing Service for Adults and Children's Nursing Service enable us to care for members of the public of any age suffering from a terminal or life limiting illness. Our Family and Bereavement Support Service is available to members of the public who are patients, or members of a patient's family or the patient's carer. Our services are available to members of the public who live within the Chilterns area of Buckinghamshire and Hertfordshire where the patient is registered with and has a referral from a General Practitioner operating in our area.

#### MERGER WITH GROVE HOUSE

The successful integration of IRHH clinical services with Grove House (day hospice) in April 2010 resulted in 100 more patients gaining access to 24/7 call-out care in their homes through the extension of the Iain Rennie model of hospice care at home further into Hertfordshire.

## THE IAIN RENNIE HOSPICE AT HOME

### COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)

#### YEAR ENDED 31 MARCH 2011

In January 2011 we announced our intention to merge fully. The Charity Commission approved the merger and IRHH members voted unanimously in favour of the merger in an Extraordinary General Meeting on 23rd March. IRHH and Grove House will continue to operate until it becomes appropriate to consolidate them into the new organisation, IRGH. Combining the best of both hospices will put us in a stronger position to meet the tough care and funding challenges we face. Other benefits include the potential to combine leadership and expertise to form a stronger management team. The process of integrating our support services and systems to avoid duplication and to be as cost-effective as possible will now become a key objective.

#### THE ADULT NURSING SERVICE

The Iain Rennie Hospice at Home Adult Nursing Service is delivered by four locality teams operating in High Wycombe, South Bucks, Ridgeway and Dacorum. The Grove House Hospice at Home team operated independently throughout the year with its own full team of nurses managed by the IRHH Locality Nurse Manager.

The IRHH Adult Nursing Service employs 47 nurses with a range of skills. Our Clinical Nurse Specialists are able to offer advice and guidance about medication and treatment. These nurses work alongside other trained and experienced community hospice nurses who are able to provide more hands-on care. Health Care Assistants play an important part in enabling patients to remain at home by providing practical, personal and supportive care.

Patient and carer surveys continue to place a high value on the Iain Rennie Hospice at Home's 24 hour responsive on-call service which has operated for over twenty five years. Clinical Audit carried out by the Iain Rennie Hospice at Home clearly establishes that our round-the-clock service has a crucial part to play in supporting patients and their carers at home.

Whilst the Iain Rennie Hospice at Home staff levels have remained stable throughout the year, patient referrals have continued to increase. Coupled with the variable availability of other community based services and changing patient needs, we experienced some exceptional levels of demand for our services.

As part of our strategic review, we have looked at the number of nurses needed to care for a significantly increased patient caseload and reassessed the mix of skills in the team needed to achieve this. We reviewed the out of hours service with the aim of making it more manageable and sustainable whilst remaining responsive to patient needs. We commenced a pilot of a different overnight model using a trained Nurse and Health Care Assistant working together, office based overnight responding to patient calls, providing advice and visits as required. We will be evaluating the pilot with the hope of introducing the service fully in 2011-12.

Working relationships with other services and professionals involved in providing hospice care in our geographical area are generally good. However, reductions and restrictions within other services inevitably place additional strains on our own organisation and, with expected government spending cuts on the horizon, the Iain Rennie Hospice at Home will need to use its resources effectively and appropriately if we are to cope with the challenges that will face our service in the year ahead.

In mid and south Buckinghamshire, the Iain Rennie Hospice at Home is the primary provider of hospice at home nursing care with three teams of nurses operating across three Buckinghamshire localities. Iain Rennie nurses work closely with the PCT funded community Macmillan nurses and a range of voluntary and other services within the county.

At present there is no 24 hour hospice at home service available to most patients in Aylesbury Vale and, the Iain Rennie Hospice at Home has targeted making our model of care available throughout this area as a key long term strategic objective. In the current economic climate, this is an ambitious but achievable by working closely with the Primary Care Trust (PCT) (which will need to provide substantially increased funding), and in collaboration with other providers.

In the part of West Hertfordshire where the Iain Rennie Hospice at Home operates, hospice services are provided by four voluntary organisations including our charity. Of those the Iain Rennie Hospice at Home and Grove House provide the majority of the hospice at home service. The strategic alliance established several years ago with the

## THE IAIN RENNIE HOSPICE AT HOME

### COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2011

Hospice of St Francis, Grove House and The Peace Hospice has improved our ability to provide a seamless service and strengthened our negotiating position with the PCT in West Hertfordshire.

We are keen to acknowledge the professional, medical support our nurses receive from the NHS Palliative Care consultants in Buckinghamshire and The Hospice of St Francis in Hertfordshire.

The Iain Rennie Hospice at Home continues to deliver significant parts of the government's End of Life Care Strategy and our services are completely in line with the strategy's aims of providing the services people need to enable them to be cared for at home and to die there if that is their choice.

The Primary Care Trusts continue with grant funding (rather than any form of tariff based approach) to partially support the huge amount of care that the Iain Rennie Hospice at Home provides to patients. We will continue to press hard for a fairer share of available PCT funding to more accurately reflect the work that we do. PCT funding for the Iain Rennie Hospice at Home fell slightly in percentage terms in the year and represented 8.5% of our total expenditure – a fall of 2.3% points on the previous year. At 8.5%, we continue to operate substantially behind the national average for hospice funding of 31%. Operating with such a low level of PCT funding would not be possible without the generosity of our communities, supporters and donors. We believe that we must continue to fight for a fairer approach to PCT funding which accurately reflects the volume, depth and quality of the services we provide.

We continue to improve the training and professional development we provide for our nursing staff during the year and further improvements are being implemented. We believe that it is vital for our nurses to receive excellent training and support so that they can develop their competencies as healthcare professionals, and new nurses joining the service must receive excellent induction and training as well as regular professional updates throughout their career with the Iain Rennie Hospice at Home. During the year a second Practice Development Nurse was appointed to the Professional Development Team.

The use of laptop computers with a mobile broadband connection for all nurses has improved the standard of care given to patients by making clinical information available in patients' homes and delivering increased flexibility, reduced handover times and improved information to on-call nurses, particularly out of hours. We are now taking steps to improve nursing efficiency and increase resources for patient care still further by introducing a new integrated clinical database which will remove the need to enter data into multiple systems and provide more up to date information on a more stable system which will give instant access to key data for nurses and support staff.

#### THE PEPPER CHILDREN'S NURSING SERVICE

Our Children's Nursing Team provides supportive care and respite for children and young people with life-limiting and life threatening illnesses. Many of these young patients have complex conditions other than cancer which require our nurses to deploy a wide range of skills and experience. The Children's Nursing Team continues to care for increasing numbers of children at the end of their lives and this remains an important part of our work.

The last evaluation of the Children's service confirmed that it is greatly valued by the families who benefit from our care. In particular, the respite element of the service provides parents and carers with essential breaks from their unrelenting caring responsibility. There has also been acknowledgement of the immense value placed upon twenty four hour availability of nurses for advice and support.

Improving the integration of services for children in our area of operation presents significant challenges. An essential part of our role is to work with other professionals in health, social care and education, acting as advocates for our patients and their families. This vital link ensures communication of needs across a diverse range of services in a way which enhances the support of the child and family and raises the profile of IRHH within our local community.

## THE IAIN RENNIE HOSPICE AT HOME

### COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2011

Uncertainties over future government spending on children's services make it difficult to assess the optimum way to enhance the services we provide for children. A family experience survey is due to be conducted again in 2011 which will enable the views of patients and their siblings to inform future plans.

Transition of young people into adult services remains challenging in part due to the different nature of services. So far we have been unable to refer any young people into the IRHH adult services as the criteria for hospice care varies so greatly. This is applicable to other areas, not just hospice care, for example social care and respite facilities.

We would like to thank the Roald Dahl Foundation for their start up funding of one nursing post. Now that the post is established IRHH/Pepper will take over responsibility for ongoing funding from June 2011.

We greatly value our close working relationship with The Pepper Foundation which continues to provide the majority of the funding for the Pepper Children's Nursing Team. We enjoy a very special partnership with The Pepper Foundation and are deeply grateful to their trustees for their long term, committed support.

#### FAMILY & BEREAVEMENT SUPPORT

Following the formal integration of Clinical Services across Iain Rennie Hospice at Home and Grove House (GH) on April 1st 2010 the Family Support Services (FSS) were combined under one lead. A new team structure has been implemented and integrated working has enabled some Iain Rennie referrals to access counselling at GH where this service is delivered by 13 volunteer counsellors. Another Grove House based service available to Iain Rennie patients is that of Spiritual Care. This is a service we wish to develop across all combined sites. Benefits of the integration have also been evident in the reverse: Grove House bereaved clients have been able to attend the IRHH social support groups. A review of all the services delivered by the FSS has taken place resulting in the production of a strategic plan for service development to assist us in the planning of service delivery.

The team continues to work alongside all the nursing teams, offering support for families facing the loss of a loved one and thus enabling care to be extended into the post bereavement period. The team has provided increased amounts of support for families and carers during the year, a trend linked to the increase in adult patient referral numbers. The previous two years had seen an overall increase of Bereavement Volunteer activity of 12%. A further 14 Bereavement Volunteers have been recruited and trained this year, bringing the total number offering both one to one and group support to the bereaved to 33 across the combined service. Our E-Listening Service continues offering an alternative form of support for bereaved relatives.

The Children's Support Facilitator's work increases year on year and continues to provide expert support for our younger patients and their siblings. This is in addition to offering development and bereavement support to the children of our adult patients. This year a sibling support group has been instigated for the siblings of our paediatric patients and 29 children have attended regularly on a quarterly basis.

#### STRATEGY

Following the merger with Grove House the trustees are working with the senior management team to develop a new strategy for the new organisation during 2011-12. This strategy will obviously replace the existing strategy which was adopted in September 2009, and will be summarised in this report for 2011-12.

The current Iain Rennie Hospice at Home's strategic plan states:

"The Iain Rennie Hospice at Home believes that everyone has the right to receive excellent care in the place of their choice at the end of life. We aim to support patients, and their families and carers, to make it possible for all patients in our area to have the choice to be cared for and, if they wish, to die at home. We want to be sure that everyone who could benefit from our services has these choices within our current geographical area by the end of 2011. We will then work towards establishing the Iain Rennie model of care for patients throughout Aylesbury Vale."

## THE IAIN RENNIE HOSPICE AT HOME

### COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2011

The four key strategic aims are:

#### **Better Care for More People**

The IRHH will ensure that all patients who might benefit from our services are made aware of them and are able to access them easily. Our first priority will be to achieve this within our current area of operation. Our second priority will be to extend the services we provide to all patients within the Buckinghamshire Primary Care Trust area.

#### **Delivering Quality**

The IRHH aims to provide nursing care and family support services that consistently meet and, whenever practical, exceed the expectations of our patients, their families and our professional colleagues. Against a background of increasing patient numbers with a wider range of diagnoses wishing to die or to be cared for at home, our first priority is to ensure that the services we provide are of the highest sustainable quality.

Although outside our direct control, we will also set out to achieve equity of access for all IRHH patients to a range of quality services such as day hospice and in-patient hospice care across the area we serve.

#### **Securing Our Future**

The IRHH will secure the increased level of statutory funding and voluntary income needed to support our services and maintain adequate financial reserves.

#### **Developing People**

The IRHH will invest in the training and development of our nurses, staff and volunteers to support the provision of high quality services to patients and families. As pioneers of Hospice at Home care, we will establish the Iain Rennie Hospice at Home as a recognised leader in its field and a beacon of excellence in all that it does. We will create environments that make working for the Iain Rennie Hospice at Home, in any capacity, a professionally rewarding career choice.

### **FUNDRAISING AND COMMUNICATIONS**

The department continues to focus on generating income in a professional, sustainable and cost-effective way from multiple sources to meet the IRHH annual expenditure budget and support the IRHH reserves policy and, once again, this has been achieved within the year.

The Fundraising team continued to forge ahead with developing and sustaining new activities and events and community and events fundraising income increased by 18% building on substantial growth in the previous year. Legacy income was lower than the previous year and in memoriam giving remained broadly static despite a further increase in the number of patients receiving care. We are grateful for the generosity of families and friends who make donations in memory of loved ones and those who make provision for a legacy to our charity in their will.

Personal donations and income from grant making trusts continued to be adversely affected by the economic downturn and continued poor returns on stock market and other investments. We do not expect the fundraising environment to improve in the short to medium term and will be exploring every possible opportunity to raise funds to sustain our services through increased fundraising and marketing activity.

Once again we were pleased to benefit from a significant increase in income from The Hospice Lottery which is run by The Hospice Lottery Partnership Limited, a separate company in which the Iain Rennie Hospice at Home holds a 1/7th share. The lottery performed well and contributed £81,440 to each shareholder, an increase of 23% on the previous year.

Increases in the costs of generating funds are to be expected in the current financial climate. The charity's return on investment in such activities fell during the year and this downward trend may be expected to continue in a highly competitive fundraising climate with donor confidence falling.

## THE IAIN RENNIE HOSPICE AT HOME

### COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2011

A new fundraising database was installed, as planned, during the year and this is already starting to benefit activities such as direct marketing and donor profiling.

Our small communications team provided support for the whole organisation throughout the year and continues to play an important part in raising the profile of the charity generally, supporting specific campaigns and events through a wide range of printed and digital media.

#### RETAIL & TRADING

The Iain Rennie Hospice at Home's retail shops continue to sell goods donated by supporters supplemented by a small quantity of bought in goods such as greetings cards. The shops provide a vital presence for the charity throughout our area of operation and make a significant contribution to the income of the organisation: 2010-11 was an excellent year with the department generating over £1 million income, with over 45% profitability which is well above average in the charity sector. This success can be attributed to a great deal of very hard work by the retail management and our superb volunteers, the opening of new shops in Holmer Green and Downley, excellent growth in the profit achieved by our eBay shop and increased revenues from Bennetts End, Warners End and Princes Risborough following refurbishments. Tring bookshop relocated to new premises within the High Street with a resulting improvement in income generation. Another major contribution came from Gift Aid reclaims on goods donated to the shops and increased sales of donated furniture. The expansion continues with plans to open a shop in Grove Hill.

Each additional shop brings with it the need for increased logistical support and storage. The Retail & Trading warehouse located in Tring can support the current operation but will need to be reviewed in the light of plans for further expansion. Equally the vans (generously donated by the Game Club in 2008/9) are heavily used, making trips between IRHH shops most days of the week. More shops will again increase the number of trips required to keep them all stocked and to bring back key items for the eBay operation. The Retail and Trading team manage to achieve a fine balance between making the most of very sparse resources and investing to maximise the return. This includes the team of dedicated volunteers who are an integral part of the shops and retail operation. Without them, we would not be able to operate.

#### PREMISES

The search for a main headquarter building, combining office space and Retail and Trading storage space, failed to identify anywhere in a suitable location at an acceptable cost. As an interim solution additional office space was leased at Icknield Industrial Estate in Tring. The Fundraising department relocated to these premises in early 2011 and the remaining teams at 52a Western Road were reorganised. At the same time the opportunity was taken to upgrade the ageing IT infrastructure. The investment in new servers was significant but essential for improved reliability, capacity and accessibility.

We would like to record our gratitude to the following for their generous donations which enabled us to minimise the relocation costs: Storax (for donating and installing storage racking), Camelot group (for all the office furniture for Fundraising), Welovekitchens.com (for kitchen units), Handyshippingguide and Dells (removals) and NatWest (Community Support team who redecorated). We also wish to acknowledge the continuing support we receive in the form of reduced Business Rates charged by the District and Borough Councils where we have shop or office premises.

#### FINANCIAL POSITION

As predicted at this time last year, in 2010-11 we planned to utilize some of the free funds within the charity in order to meet the ever expanding demand for our services. As the accounts show the deficit prior to allowing for the value of the investment property was £635,000. Including the investment property valued at £800,000 the accounts show a creditable surplus for the year of £165,000.

During the year however it became noticeable that the current economic environment was beginning to take its toll. Across the charity sector generally it is becoming more difficult to raise funds from the traditional sources, as an ever increasing number of good causes chase a decreasing pot of money.

## THE IAIN RENNIE HOSPICE AT HOME

### COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2011

In the current year, despite good results and projections from both the shops and trading and the Hospice Lottery, the fundraising department is experiencing significantly more difficulty in achieving some of their targets. The merger with Grove House will eventually bring with it efficiencies, but as with all mergers, these can take time to flow through into the accounts. We therefore expect, unless we experience substantial improvements in income for the latter part of the year, that we will need to fund a material deficit from our reserves. Whilst this is something we are able to do from the surplus funds built up in previous years it is certainly something we cannot afford to continue into the future and the Council of Management will be looking to balance the budget in the near future.

#### RESERVES POLICY

The Iain Rennie Hospice at Home will maintain unrestricted general reserves of not more than 12 months of average actual expenditure unless there is a clear strategic need to hold such reserves in order to support future planned capital or revenue plans agreed by Council. Conversely, cash reserves should never fall below 4 months of predicted expenditure. At 31 March 2011 unrestricted general reserves were approximately five months of average actual expenditure and cash reserves were just under five months of predicted expenditure.

In normal circumstances the IRHH will seek to maintain financial reserves of not less than 6 months of average actual expenditure.

#### INVESTMENT POLICY

Under the Memorandum and Articles of Association, the charitable company has the power to make any investment which the Council of Management see fit. Investments are regularly reviewed and are currently managed by Barclays Wealth under a mandate authorised by the trustees.

#### GOVERNANCE AND RISK MANAGEMENT

The IRHH is led and controlled by a Board of Trustees which collectively ensures delivery of its objectives, sets its strategic direction and upholds its values. The Board of Trustees is collectively responsible and accountable for ensuring and monitoring that the organisation is performing well, is solvent, and complies with all its obligations.

During the financial year 2010-11 the Board of Trustees met 6 times with the Chief Executive and members of the senior management team present. The Council monitored performance through reports received at Council Meetings.

The IRHH's Council size allowed for the active participation of trustees in a range of subcommittees and ad hoc working groups and afforded good cover when, on occasion, trustees were unable to attend meetings. To meet their governance responsibilities, trustees sat on one or more Governance groups covering Finance, Clinical Governance, Human Resources, Information Technology, Health & Safety, Retail and Trading, Fundraising and Communications and also attend meetings with our Consultation Group.

A full range of operating policies and protocols were in place to support the work of the charity and to allow it to respond to unforeseen circumstances and events. All policies are reviewed and updated regularly.

The Council of Management aims to minimise internal risks by the implementation of procedures for authorisation of all transactions and projects and to ensure as far as possible consistent quality of delivery for all operational aspects of the charity. The charity maintains a risk register which is reviewed regularly to ensure that the charity has adequate and appropriate policies in processes in place.

#### AUDIT AND INSPECTION

Our Clinical Audit Lead has continued to develop our clinical audit programme and has also worked with other hospices to develop joint standards and audits with a view to standardising practice and the way in which we monitor our performance.

The Iain Rennie Hospice at Home was previously registered with the Commission for Social Care Inspection. The Commission for Social Care Inspection was replaced by the Care Quality Commission in 2010 which now regulates

## THE IAIN RENNIE HOSPICE AT HOME

### COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2011

the services provided by Iain Rennie Hospice at Home. The most recent annual service review (carried out in May 2010) rated the service as "excellent".

#### STAFF AND VOLUNTEERS

The Iain Rennie Hospice at Home is fortunate in having a highly enthusiastic and loyal group of staff and volunteers bringing a range of skills and experience to IRHH. The organisation is committed to supporting and offering ongoing professional opportunities to its entire staff and volunteers. IRHH aims to be an open organisation, consulting with staff and volunteers in many ways on major issues and actively seeks the opinions of its users on a regular basis.

#### ORGANISATION AND STRUCTURE

The charitable company is a company limited by guarantee under the Companies Act 2006, number 2199373, and a registered charity, number 297847. The charitable company is established under a Memorandum of Association which sets out the objects and powers of the charitable company and is governed under its Articles of Association.

At 31st March 2011 there were 102 members (2010: 107) including the Council of Management. On 1 April 2011 Iain Rennie Grove House Hospice Care became the sole member with many former members of Iain Rennie Hospice at Home taking up membership of the new organisation. The member(s) of the charitable company is liable for up to £1 each on the winding up of the company whilst they were members or within one year of someone ceasing to be a member.

The charitable company owns the whole of the share capital of Iain Rennie Hospice Services Limited, a company which operates as a trading subsidiary to raise funds to support the work of The Iain Rennie Hospice at Home (IRHH). The charitable company also has a one seventh interest in The Hospice Lottery Partnership Limited. The Hospice Lottery Partnership Limited is a company which operates a lottery to raise funds for this and the other unconnected hospice charities which jointly own the company.

The Iain Rennie Hospice at Home is a member of Help the Hospices, the National Council for Palliative Care, the National Forum Association for Hospice at Home and Children's Hospices UK. Individual members of the Senior Management Team and other members of staff are also members of various professional representative bodies. The charity is also represented at a range of professional forums related to hospice and palliative care including the two Cancer Networks for our area.

**THE IAIN RENNIE HOSPICE AT HOME****COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)**

YEAR ENDED 31 MARCH 2011

**STATEMENT OF RESPONSIBILITIES OF THE COUNCIL OF MANAGEMENT**

The members of the Council of Management are directors for the purposes of company law and trustees for the purposes of charity law. They are responsible for preparing the Council of Management's Report and the consolidated financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The Council of Management's members have no financial interest in the charitable company. Trustee indemnity insurance is paid for by the charitable company on behalf of the members of the Council of Management.

Company law requires the Council of Management to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company at the end of the year and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for the year then ended. In preparing those financial statements, the Council of Management is required to:

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

The Council of Management is responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. The Council of Management is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Council of Management are aware:

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

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

THE IAIN RENNIE HOSPICE AT HOME

COUNCIL OF MANAGEMENT'S ANNUAL REPORT (continued)

YEAR ENDED 31 MARCH 2011

**AUDITORS**

A resolution to re-appoint Cansdales as auditors for the ensuing year will be proposed at the Annual General Meeting.

The Council of Management confirms that to the best of their knowledge and belief these financial statements comply with the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities", issued March 2005, and the accounting provisions of the Charities Act 1993.

Registered office:

Grove House  
Waverley Road  
St Albans  
Herts  
AL3 5QX

Signed on behalf of the  
Council of Management



Christopher Langford  
Honorary Treasurer

Approved by the Council of Management on: ..... 5<sup>th</sup> Oct 2011

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THE IAIN RENNIE HOSPICE AT HOME  
FOR THE YEAR ENDED 31 MARCH 2011 (continued)**

We have audited the consolidated financial statements of The Iain Rennie Hospice at Home for the year ended 31 March 2011 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 22. 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 opinions we have formed.

**RESPECTIVE RESPONSIBILITIES OF THE COUNCIL OF MANAGEMENT AND THE AUDITORS**

As explained more fully in the Statement of Responsibilities of the Council of Management set out on page 11, the Council of Management, who are trustees for the purposes of charity law and 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 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 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 Council of Management's Annual 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 2011, 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 MATTERS PRESCRIBED BY THE COMPANIES ACT 2006**

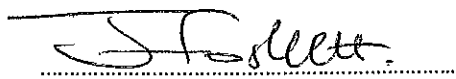
In our opinion the information given in the Council of Management's Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THE IAIN RENNIE HOSPICE AT HOME  
FOR THE YEAR ENDED 31 MARCH 2011 (continued)

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 Council of Management's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Mr James Foskett  
Senior Statutory Auditor  
For and on behalf of CANSDALES  
Chartered Accountants & Statutory Auditors

6 October 2011

Bourbon Court  
Nightingales Corner  
Little Chalfont  
Bucks HP7 9QS

## THE IAIN RENNIE HOSPICE AT HOME

## CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (including Income and Expenditure Account)

YEAR ENDED 31 MARCH 2011

	Note	Unrestricted Funds General	Unrestricted Funds Designated	Restricted Funds	Subtotal Funds 2011	Gift in Kind	Total Funds 2011	Total Funds 2010
		£	£	£	£	£	£	£
<b>Incoming resources</b>								
<b>Incoming resources from generated funds</b>								
<i>Voluntary income</i>								
Voluntary income (donations, legacies, direct mail & similar income)	2	1,289,218	-	40,937	1,330,155	800,000	2,130,155	1,535,119
Activities for generating funds	3	1,764,167	-	-	1,764,167	-	1,764,167	1,404,591
Investment income and interest		57,745	-	-	57,745	-	57,745	43,134
<b>Incoming resources in furtherance of charitable activities</b>	4	397,649	-	381,028	778,677	-	778,677	744,997
Income from Hospice Lottery Partnership Limited	11	81,440	-	-	81,440	-	81,440	65,560
Sundry income		27,070	-	-	27,070	-	27,070	33,078
		-	-	-	-	-	-	-
<b>Total incoming resources</b>		<b>3,617,289</b>	<b>-</b>	<b>421,965</b>	<b>4,039,254</b>	<b>800,000</b>	<b>4,839,254</b>	<b>3,826,479</b>
<b>Resources expended</b>								
Costs of generating funds (fundraising & shops)	5	1,348,117	-	13,865	1,361,982	-	1,361,982	991,175
Charitable activities	6	2,687,590	159,703	437,344	3,284,637	-	3,284,637	2,622,423
Governance costs	7	27,901	-	-	27,901	-	27,901	21,682
<b>Total resources expended</b>		<b>4,063,608</b>	<b>159,703</b>	<b>451,209</b>	<b>4,674,520</b>	<b>-</b>	<b>4,674,520</b>	<b>3,635,280</b>
<b>Net income/(expenditure) for the year</b>	8	<b>(446,319)</b>	<b>(159,703)</b>	<b>(29,244)</b>	<b>(635,266)</b>	<b>800,000</b>	<b>164,734</b>	<b>191,199</b>
Gain on sale of investments		1,217	-	-	1,217	-	1,217	-
Transfers between funds	17	169,422	(169,422)	-	-	-	-	-
<b>Net movement in funds</b>		<b>(275,680)</b>	<b>(329,125)</b>	<b>(29,244)</b>	<b>(634,049)</b>	<b>800,000</b>	<b>165,951</b>	<b>191,199</b>
<b>Total funds brought forward</b>		<b>2,266,489</b>	<b>335,000</b>	<b>651,336</b>	<b>3,252,825</b>	<b>-</b>	<b>3,252,825</b>	<b>3,061,626</b>
<b>Total funds carried forward</b>	17	<b>1,990,809</b>	<b>5,875</b>	<b>622,092</b>	<b>2,618,776</b>	<b>800,000</b>	<b>3,418,776</b>	<b>3,252,825</b>

The group has no recognised gains or losses other than the results for the year as set out above.

All of the activities of the group are classed as continuing.

The notes numbered 1 to 22 form part of these financial statements.

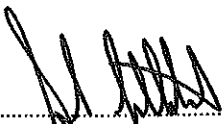
## THE IAIN RENNIE HOSPICE AT HOME

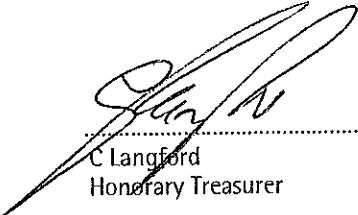
## CONSOLIDATED BALANCE SHEET

AT 31 MARCH 2011

	Note	2011		2010	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		775,886		636,727
Investments	11		1,281,260		486,495
<b>Current assets</b>					
Stock		9,349		6,099	
Debtors	12	524,737		227,308	
Investments	13	861,532		2,007,157	
Cash - current accounts and cash in hand		36,538		36,893	
- short term deposit account		630,048		198,877	
		<u>2,062,204</u>		<u>2,476,334</u>	
Creditors: amounts falling due within one year	14	<u>(700,574)</u>		<u>(340,481)</u>	
Net current assets			1,361,630		2,135,853
Creditors: amounts falling due after more than one year	15		-		(6,250)
<b>Total assets less liabilities</b>			<u>3,418,776</u>		<u>3,252,825</u>
<b>Unrestricted funds</b>					
Designated funds	17	5,875		335,000	
General funds		<u>2,790,809</u>		<u>2,266,489</u>	
			2,796,684		2,601,489
Restricted funds	17		<u>622,092</u>		<u>651,336</u>
<b>Total funds</b>			<u>3,418,776</u>		<u>3,252,825</u>

These consolidated financial statements were approved by the Council of Management on 5<sup>th</sup> Oct 2011 and are signed on their behalf by:

  
 S Cuthbert CBE  
 Chairman

  
 C Langford  
 Honorary Treasurer

Company number 2199373

The notes numbered 1 to 22 form part of these financial statements.

## THE IAIN RENNIE HOSPICE AT HOME

## BALANCE SHEET

AT 31 MARCH 2011

	Note	2011		2010	
		£	£	£	£
<b>Fixed assets</b>					
Tangible assets	10		774,464		631,934
Investments	11		1,281,262		486,497
<b>Current assets</b>					
Debtors	12	538,477		242,226	
Investments	13	861,532		2,007,157	
Cash - current accounts and cash in hand		16,969		14,971	
- short term deposit account		630,048		198,877	
		2,047,026		2,463,231	
Creditors: amounts falling due within one year	14	(696,544)		(337,412)	
Net current assets			1,350,482		2,125,819
Creditors: amounts falling due after more than one year	15		-		(6,250)
<b>Total assets less liabilities</b>			<u>3,406,208</u>		<u>3,238,000</u>
<b>Unrestricted funds</b>					
Designated funds	17	5,875		335,000	
General funds	17	2,778,241		2,251,664	
			2,784,116		2,586,664
Restricted funds	17		622,092		651,336
<b>Total funds</b>			<u>3,406,208</u>		<u>3,238,000</u>

These consolidated financial statements were approved by the Council of Management on <sup>5<sup>th</sup> Oct 2011</sup> ..... and are signed on their behalf by:

.....  
S Cuthbert CBE  
Chairman

.....  
C Langford  
Honorary Treasurer

Company number 2199373

The notes numbered 1 to 22 form part of these financial statements.

## THE IAIN RENNIE HOSPICE AT HOME

## CONSOLIDATED CASH FLOW STATEMENT

YEAR ENDED 31 MARCH 2011

	2011		2010
	£		£
<b>Reconciliation of operating surplus to net cash inflow from operating activities</b>			
Operating surplus	165,951		191,199
Gift in kind	(800,000)		-
Depreciation	32,180		17,588
Increase in debtors	(297,429)		(100,326)
Increase in creditors	353,843		25,108
Increase in stock	(3,250)		(2,286)
Interest received	(57,745)		(43,134)
<b>Net cash inflow from operating activities</b>	<b>(606,450)</b>		<b>88,149</b>
<b>Returns on investments and servicing of finance</b>			
Interest received	57,745	43,134	
Purchase of Fixed Assets	(171,339)	(13,983)	
Sale of Fixed Asset Investments	181,707	-	
Purchase of Fixed Asset Investments	(176,472)	(486,486)	
	(108,359)		(457,335)
<b>(Decrease)/Increase in cash in the year</b>	<b>(714,809)</b>		<b>(369,186)</b>
<b>Reconciliation of net cash flow to movement in net funds</b>			
	£		£
<b>(Decrease)/Increase in cash in the year</b>	<b>(714,809)</b>		<b>(369,186)</b>
Net funds at 1 April 2010	2,242,927		2,612,113
Net funds at 31 March 2011	1,528,118		2,242,927
<b>Current accounts</b>			
	At 1.4.10	Cash flows	At 31.3.11
	£	£	£
Short term deposit accounts	36,893	(355)	36,538
Short term investments	2,007,157	(1,145,625)	861,532
Current accounts	198,877	431,171	630,048
Cash at bank and in hand	2,242,927	(£714,809)	1,528,118

The notes numbered 1 to 22 form part of these financial statements.

## THE IAIN RENNIE HOSPICE AT HOME

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011

## 1. ACCOUNTING POLICIES

**Basis of accounting**

The consolidated financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards and follow the recommendations in the Statement of Recommended Practice "Accounting and Reporting by Charities", issued in March 2005.

The financial statements include the results of the subsidiary company, Iain Rennie Hospice Services Limited for the year ended 31 March 2011. The financial statements are consolidated on a line by line basis. A separate statement of financial activities is not presented because the charitable company has taken advantage of the provisions of section 408 of the Companies Act 2006. The result in the year ended 31 March 2011 for Iain Rennie Hospice at Home is a surplus of £328,208.

**Incoming resources**

Income is recognised gross in the period in which the charitable company is legally entitled to the income and the amount can be quantified with reasonable accuracy. For legacies, entitlement is recognised on the legacy being received.

Grants from government and other agencies are included as income from activities in furtherance of the charitable company's objects where these amount to a contract for services, but as donations where the money is given in response to an appeal or with greater freedom of use.

Gifts donated for resale are included as income when they are sold. No amounts are included in the consolidated financial statements for services donated by volunteers.

Any income received for a period other than the accounting year has been apportioned over the period to which it relates.

**Resources expended**

Expenditure is accounted for on an accruals basis, inclusive of VAT which cannot be recovered.

Certain expenditure is directly attributable to specific activities and has been allocated to those cost categories. Certain other costs and some staff costs are attributable to more than one activity. In these cases the costs have been apportioned to the individual activities on the basis of the time spent by staff on matters relating to those activities. This apportionment has been reviewed and revised during the year to ensure that the allocations remain accurate. Central support costs have been allocated on the basis of resources used. Management and administration costs have been apportioned to the cost centres of generating funds, charitable expenditure and governance costs. Governance costs comprise all costs relating to the public accountability of the charitable company and its compliance with regulation and good practice. These costs include costs relating to the statutory audit.

**Fixed Assets and Depreciation**

Capital expenditure is only capitalised where the unit cost of the purchase price exceeds £10,000.

The buildings element of Gillian King House is being depreciated on a straight line basis over fifty years from date of first use. Freehold land is not depreciated. Depreciation is calculated so as to write off the cost of an asset to the group, less its estimated residual value, over the useful economic life of that asset as follows:

Leasehold property improvements	-	Over the term of the lease
Motor Vehicles	-	33% straight line
Equipment	-	33% straight line

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against income on a straight line basis over the period of the lease.

## THE IAIN RENNIE HOSPICE AT HOME

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2011

**1. ACCOUNTING POLICIES (continued)****Tax status**

The charitable company is a registered charity and therefore it is not assessable to corporation tax on any excess of charitable income over expenditure.

**Investments**

Current asset investments are included at market value at the Balance Sheet date. Any gain or loss on revaluation is included in the consolidated Statement of Financial Activities. Fixed asset investments are included at cost to the charitable company, or at their estimated market value when received as a gift in kind, including fixed asset investments at cost is not in accordance with the Statement of Recommended Practice. However any adjustment would not be material to the financial statements.

**Pensions**

The charitable company operates a defined contribution pension scheme. Charges are made in the Statement of Financial Activities as they arise. The charitable company also has a Stakeholder Pension Scheme. Both schemes are available to all staff members. The charity also contributes to the NHS pension scheme on behalf of certain employees on the same basis as it contributes to the other schemes.

**Funds accounting**

Funds held by the charitable company are:

*Unrestricted general funds* – these are funds which can be used in accordance with the charitable objects at the discretion of the Council of Management.

*Designated funds* – these are funds set aside by the Council of Management out of unrestricted general funds for specific future purposes or projects.

*Restricted funds* – these are funds which can only be used for particular purposes within the objects of the charitable company. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

The Council of Management makes transfers between funds when expenditure of a restricted nature is to be met from more than one type of fund. The maximum level of these transfers is agreed by the Council of Management prior to the expenditure.

The nature and purpose of each fund is explained further in the notes to the consolidated financial statements.

**2. VOLUNTARY INCOME (donations, legacies, direct mail and similar income)**

	Unrestricted funds	Designated funds	Restricted funds	Total 2011	Total 2010
	£	£	£	£	£
In memoriam	205,777	-	-	205,777	204,517
Legacies	316,484	-	-	316,484	531,007
Other donations	766,957	-	40,937	807,894	799,595
	1,289,218	-	40,937	1,330,155	1,535,119
Gift in kind	800,000	-	-	800,000	-
	2,089,218	-	40,937	2,130,155	1,535,119

The gift in kind was a property transferred to the charitable company from another charity, and has been included at its estimated market value at the date of transfer.

## THE IAIN RENNIE HOSPICE AT HOME

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2011

## 3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2011 £	Total 2010 £
Retail & trading income - sales of donated goods	965,315	-	-	965,315	721,366
Commercial trading operations	62,319	-	-	62,319	60,023
Total retail and trading	1,027,634	-	-	1,027,634	781,389
Community & events fundraising	734,721	-	-	734,721	618,485
Rental income	1,812	-	-	1,812	4,717
	1,764,167	-	-	1,764,167	1,404,591

## 4. INCOMING RESOURCES IN FURTHERANCE OF CHARITABLE ACTIVITIES

	Unrestricted funds £	Designated funds £	Restricted funds £	Total 2011 £	Total 2010 £
Pepper Foundation	-	-	224,014	224,014	200,000
Department of Health	-	-	84,000	84,000	84,000
Children's Hospices UK	-	-	34,685	34,685	38,366
Roald Dahl Foundation	-	-	38,329	38,329	25,701
Other	-	-	-	-	1,400
	-	-	381,028	381,028	349,467
Primary Care Trusts [NHS]	397,649	-	-	397,649	395,530
	397,649	-	381,028	778,677	744,997

The Pepper Foundation, Department of Health and Children's Hospices UK funds are income for the children's hospice at home and family support services. Primary Care Trusts [NHS] grants are annually negotiated service agreements with two Primary Care Trusts [PCTs].

## 5. COSTS OF GENERATING FUNDS (fundraising &amp; shops)

	Salaries	Depreciation	Other costs	Total 2011	Total 2010
Retail & trading costs - shops	324,579	13,865	223,482	561,926	444,223
Commercial trading operations	-	-	46,227	46,227	40,718
Total retail and trading expenditure	324,579	13,865	269,709	608,153	484,941
Costs of generating voluntary income	191,917	-	72,797	264,714	179,804
Community & events fundraising costs	174,537	-	176,171	350,708	237,492
Direct costs of generating fundraised income	366,454	-	248,968	615,422	417,296
Support costs	74,282	-	64,125	138,407	88,938
	765,315	13,865	582,802	1,361,982	991,175

The surplus generated by the charity shops in the year ended 31 March 2011, before allocating central management and administration costs, was £403,389 (year ended 31 March 2010: £277,143).

## THE IAIN RENNIE HOSPICE AT HOME

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2011

**6. CHARITABLE ACTIVITIES**

	Salaries £	Depreciation £	Other costs £	Total 2011 £	Total 2010 £
Nursing Services	2,325,328	6,781	284,882	2,616,991	2,157,756
Raising awareness	39,288	-	10,310	49,598	41,505
Allocation of support costs	280,414	8,163	329,471	618,048	423,162
	<u>2,645,030</u>	<u>14,944</u>	<u>624,663</u>	<u>3,284,637</u>	<u>2,622,423</u>

**7. GOVERNANCE COSTS**

	Total 2011 £	Total 2010 £
Staff salaries	16,713	14,079
Professional fees	7,771	5,986
Office and other costs	3,417	1,617
	<u>27,901</u>	<u>21,682</u>

Governance costs comprise all costs relating to the public accountability of the group and its compliance with regulation and good practice.

**8. NET INCOME FOR THE YEAR**

	2011 £	2010 £
This is stated after charging:		
Operating leases - land and buildings	161,097	143,925
Depreciation (see note 10)	32,180	17,588
Trustee Indemnity Insurance	540	565
Auditors' remuneration for audit	6,113	5,594
for other services	3,908	3,627

## THE IAIN RENNIE HOSPICE AT HOME

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 MARCH 2011

## 9. EMPLOYEES AND STAFF COSTS

	2011	2010
	£	£
Wages and salaries	2,963,155	2,429,895
Social security costs	284,428	233,805
Pension costs	179,476	113,463
	<u>3,427,059</u>	<u>2,777,163</u>

The average number of staff employed by the charitable company during the financial period was:

	2011	2010
Direct charitable work	82	71
Fundraising and publicity	15	13
Shop staff	17	13
Management and administration	12	12
	<u>126</u>	<u>109</u>

One employee was remunerated at a rate of between £60,000 and £70,000 p.a.

No members of the Council of Management or anyone connected with them received any remuneration and no contributions were made to pension schemes in respect of members of the Council of Management. Conference fees of £538 were paid for two Trustees (2010: £339 conference fees for one Trustee).

## 10. TANGIBLE FIXED ASSETS

Group

	Motor Vehicles	Leasehold property improvements	Freehold property	Equipment	Total
Cost	£	£	£	£	£
At 1 April 2010	25,513	19,143	668,600	22,412	735,668
Additions	-	77,144	-	94,195	171,339
At 31 March 2011	<u>25,513</u>	<u>96,287</u>	<u>668,600</u>	<u>116,607</u>	<u>907,007</u>
Depreciation					
At 1 April 2010	17,151	19,143	54,248	8,399	98,941
Charge for the year	8,362	7,406	6,781	9,631	32,180
At 31 March 2011	<u>25,513</u>	<u>26,549</u>	<u>61,029</u>	<u>18,030</u>	<u>131,121</u>
Net book value					
At 31 March 2011	<u>-</u>	<u>69,738</u>	<u>607,571</u>	<u>98,577</u>	<u>775,886</u>
At 31 March 2010	<u>8,362</u>	<u>-</u>	<u>614,352</u>	<u>14,013</u>	<u>636,727</u>

## THE IAIN RENNIE HOSPICE AT HOME

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

## YEAR ENDED 31 MARCH 2011

10. TANGIBLE FIXED ASSETS *(continued)*

Company

Cost	Motor Vehicles £	Leasehold property improvements £	Freehold property £	Office Equipment £	Total £
At 1 April 2010	17,887	19,143	668,600	12,917	718,547
Additions	-	77,144	-	94,195	171,339
At 31 March 2011	17,887	96,287	668,600	107,112	889,886
Depreciation					
At 1 April 2010	11,428	19,143	54,248	1,794	86,613
Charge for the year	6,459	7,406	6,781	8,163	28,809
At 31 March 2011	17,887	26,549	61,029	9,957	115,422
Net book value					
At 31 March 2011	-	69,738	607,571	97,155	774,464
At 31 March 2010	6,459	-	614,352	11,123	631,934

The assets are all held for charitable purposes.

## 11. FIXED ASSET INVESTMENTS

	Group		Company	
	2011 £	2010 £	2011 £	2010 £
UK group undertakings (Iain Rennie Hospice Services Limited)	-	-	2	2
UK participating interests (The Hospice Lottery Partnership Limited)	9	9	9	9
Investment property	800,000	-	800,000	-
Other investments	321,251	486,486	321,251	486,486
	1,121,260	486,495	1,121,262	486,497

The charitable company owns two Ordinary shares, representing 100% of the issued share capital, in Iain Rennie Hospice Services Limited, a company incorporated in England. The company traded during the year purchasing and selling goods to promote the work of The Iain Rennie Hospice at Home.

At 31 March 2011 Iain Rennie Hospice Services Limited had capital and reserves of £12567 (2010: £14,826). In the year ended 31 March 2011 the subsidiary company consolidated financial statements show a turnover of £62,319 (2010: £60,023) and a profit of £11,487 (2010: £14,715) before gift aid of £13,724 (2010: £15,307). At 31 March 2011 the charitable company was owed £15,762 (2010: £15,307) by the subsidiary company in Gift Aid which will be paid within nine months of the year end. The subsidiary company was also owed £1,356 (2010: £2,306) at 31 March 2011 as a result of ordinary trading activities.

This investment is held in accordance with powers given to the Council of Management in the Memorandum and Articles of Association of the charitable company.

At 31 March 2011 the charitable company owned twelve shares of £1 nominal value each in The Hospice Lottery Partnership Limited (2010: 12 shares), a company registered in England carrying out fundraising for seven hospices. Each participating hospice has a representative on The Hospice Lottery Partnership Limited Board.

## THE IAIN RENNIE HOSPICE AT HOME

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

## YEAR ENDED 31 MARCH 2011

## 11. FIXED ASSET INVESTMENTS (continued)

During the year ended 31 March 2011 The Hospice Lottery Partnership Limited made a donation to The Iain Rennie Hospice at Home of £81,440 (2010: £60,560) from surplus income arising from the lottery. At 31 March 2011 £245 was due from the charitable company to The Hospice Lottery Partnership Limited (2010: £3,865 due to the charitable company from The Hospice Lottery Partnership Limited).

The other investments are a portfolio of corporate bonds with maturity dates from 2012 to 2019.

Movements on other investments during the financial period was:

	Property	Other Investments	Total
Value at 1 April 2010	-	486,495	486,495
Additions to investments at cost or valuation	800,000	176,472	976,472
Disposals at carrying value	-	(181,707)	(181,707)
Net gain/loss on revaluation	-	-	-
Value at 31 March 2011	800,000	481,260	1,281,260

## 12. DEBTORS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts due from related undertakings	-	-	13,746	15,309
Income tax recoverable	42,673	16,351	42,673	16,351
Other debtors	414,301	163,627	414,295	163,236
Prepayments and accrued income	67,763	47,330	67,763	47,330
	524,737	227,308	538,477	242,226

## 13. CURRENT ASSET INVESTMENTS

Current asset investments consist of £861,532 held in instant access and seven day notice deposit accounts (2010: £2,007,157 in instant access and twelve month notice deposit accounts).

## 14. CREDITORS: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts due to related undertakings	1,356	2,306	1,356	2,306
PAYE and social security	81,726	72,527	81,726	72,527
Pension contributions	25,626	16,454	25,626	16,454
Deferred income	26,450	135,082	26,450	135,082
Other creditors	110,167	65,498	109,497	66,744
Accruals	455,249	48,614	451,889	44,299
	700,574	340,481	696,544	337,412

## THE IAIN RENNIE HOSPICE AT HOME

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

## YEAR ENDED 31 MARCH 2011

**14. CREDITORS: Amounts falling due within one year (continued)**

The movement in deferred income was

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Deferred income at 1 April 2010	135,082	129,609	135,082	129,609
Amounts received in the year relating to future periods	26,450	135,082	26,450	135,082
Amounts released during the year	(135,082)	(129,609)	(135,082)	(129,609)
Deferred income carried forward at 31 March 2011	<u>26,450</u>	<u>135,082</u>	<u>26,450</u>	<u>135,082</u>

**15. CREDITORS: Amounts falling due after more than one year**

	Group and company	
	2011	2010
	£	£
Loan	<u>-</u>	<u>6,250</u>

**16. COMMITMENTS UNDER OPERATING LEASES**

As at 31 March 2011 the charitable company had annual commitments under non-cancellable operating leases as set out below. All of these operating leases relate to land and buildings.

**Group and company**

	2011	2010
	£	£
Leases expiring in:		
Less than one year	26,741	2,214
Two to five years	120,542	109,167
Over five years	58,000	29,000
	<u>205,283</u>	<u>140,381</u>

## THE IAIN RENNIE HOSPICE AT HOME

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

YEAR ENDED 31 MARCH 2011

## 17. MOVEMENTS ON FUNDS

	At 31 March 2010 £	Incoming resources £	Outgoing resources £	Transfers £	At 31 March 2011 £
<b>Restricted funds:</b>					
Pepper Foundation	8,983	224,014	(232,997)	-	-
Department of Health	-	84,000	(84,000)	-	-
Children's Hospices UK	-	34,685	(34,685)	-	-
Roald Dahl Foundation	(3,040)	38,329	(35,289)	-	-
<b>Total funds for Children's Hospice at Home and Family Support</b>	<b>5,943</b>	<b>381,028</b>	<b>(386,971)</b>	<b>-</b>	<b>-</b>
Gillian King House Fund	614,352	-	(6,781)	-	607,571
Satellite navigation units	1,128	-	(1,128)	-	-
Bereavement training & support	9,448	-	(9,448)	-	-
The Game Club	6,459	-	(6,459)	-	-
MIA	6,557	-	(6,557)	-	-
Other Restricted Funds	7,449	40,937	(33,865)	-	14,521
<b>Total restricted funds for Adult Service</b>	<b>645,393</b>	<b>40,937</b>	<b>(64,238)</b>	<b>-</b>	<b>622,092</b>
<b>Total restricted funds</b>	<b>651,336</b>	<b>421,965</b>	<b>(451,209)</b>	<b>-</b>	<b>622,092</b>
<b>Unrestricted funds:</b>					
<b>Designated funds</b>					
Nurses database	60,000	-	(23,400)	(36,600)	-
CRM project	115,000	-	(79,742)	(29,383)	5,875
Server replacement	130,000	-	(28,286)	(101,714)	-
Accommodation review	30,000	-	(28,275)	(1,725)	-
<b>Total designated funds</b>	<b>335,000</b>	<b>-</b>	<b>(159,703)</b>	<b>(169,422)</b>	<b>5,875</b>
General Funds	2,251,664	4,356,187	(4,012,756)	183,146	2,778,241
Iain Rennie Hospice Services	14,825	62,319	(50,852)	(13,724)	12,568
<b>Total unrestricted funds</b>	<b>2,601,489</b>	<b>4,418,506</b>	<b>(4,223,311)</b>	<b>-</b>	<b>2,796,684</b>
<b>Total funds</b>	<b>3,252,825</b>	<b>4,840,471</b>	<b>(4,674,520)</b>	<b>-</b>	<b>3,418,776</b>

## THE IAIN RENNIE HOSPICE AT HOME

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

## YEAR ENDED 31 MARCH 2011

**17. MOVEMENTS ON FUNDS (continued)**

The grants from the Pepper Foundation, Children's Hospices UK (formerly the Association of Children's Hospices), the Roald Dahl Foundation and the Department of Health are received for payment towards the salaries and expenses of the paediatric Hospice at Home team and the family support services.

The Gillian King House Fund represents the net book value of a property purchased through a gift from a Beneficial Trust in November 2002 to accommodate the nursing and support teams operating in the South Bucks area.

The Game Club fund represents the net book value of a van donated to IRHH by the Game Club for use in the Retail & Trading and Fundraising departments to transport goods and equipment as well as collecting donations from supporters and moving stock between shops.

The MIA restricted fund was established to enable every nurse to have a laptop so she can access patient records wherever she is, whenever she needs to.

Other restricted funds consist of grants and donations given for specific purposes or projects.

The designated fund for the CRM project is for a donor development database.

Following a review by the trustees the balances on the Nurses Database, Server Replacement and Accommodation Review funds set aside in previous years have been released to general funds. These funds were originally established for the installation of a database for nurses to centralise the patient records so that they can be accessed remotely, the replacement of all of the servers used by the charity, and a review of the organisation's long term accommodation requirements.

**18. ANALYSIS OF NET ASSETS BETWEEN RESTRICTED AND UNRESTRICTED FUNDS**

Group	Tangible fixed assets		Other net assets	Total £
	£	Investments £	£	
Designated funds	-	-	5,875	5,875
General funds	168,315	2,142,792	479,702	2,790,809
Total unrestricted funds	168,315	2,142,792	485,577	2,796,684
Restricted funds	607,571	-	14,521	622,092
	775,886	2,142,792	500,098	3,418,776

Company	Tangible fixed assets		Other net assets	Total £
	£	Investments £	£	
Designated funds	-	-	5,875	5,875
General fund	166,893	2,142,794	468,554	2,778,241
Total unrestricted funds	166,893	2,142,794	474,429	2,784,116
Restricted funds	607,571	-	14,521	622,092
	774,464	2,142,794	488,950	3,406,208

**19. CONTINGENCIES**

The Council of Management have confirmed that there were no contingent liabilities which should be disclosed at 31 March 2011 (2010: £Nil).

**THE IAIN RENNIE HOSPICE AT HOME****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS** *(continued)***YEAR ENDED 31 MARCH 2011****18. CAPITAL COMMITMENTS**

The Council of Management have confirmed that there were no capital commitments at 31 March 2011 (2010: £Nil).

**19. COMPANY LIMITED BY GUARANTEE**

The charitable company is incorporated as a company limited by guarantee and without a share capital.

**20. RELATED PARTY TRANSACTIONS**

Mr Campbell Ritchie, a member of the Council of Management, is a director of HR Advantage Limited. Fees of £4,019 were paid to HR Advantage during the year on a normal commercial basis (2010: £3,261).

**21. SUBSEQUENT EVENTS**

On 1 April 2011, Iain Rennie Grove House Hospice Care (IRGH) (registered charity number 1140386) became the sole member of the Iain Rennie Hospice at Home as part of the arrangements relating to the merger of Iain Rennie Hospice at Home with the St Albans and Dacorum Day Hospice trading as Grove House. It is intended that most of the assets and liabilities of Iain Rennie Hospice at Home will be transferred to IRGH in the course of the current financial year.