

Registered number 1510521

OVERGATE HOSPICE
(a company limited by guarantee)

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**
for the year ended 31 March 2012



B M Howarth Ltd
Chartered Accountants

THURSDAY



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OVERGATE HOSPICE
(a company limited by guarantee)

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OVERGATE HOSPICE
(a company limited by guarantee)

LEGAL AND ADMINISTRATIVE DETAILS

Status

Registered Charity No 511619
Company No 1510521

Registered Office

Overgate Hospice
30 Hullen Edge Road
Elland
West Yorkshire
HX5 0QY

President

Mrs S Graucob MBE

Patrons

K F Marshall
Miss O J Hirst
C R Woodward
Dr B Whitaker

Current Directors

Miss V A Steele (Chairman from 1 April 2012)
Mrs M E Wilkinson (Chairman to 31 March 2012)
M A Steele (Secretary) (& Treasurer to 31 March 2012)
R I Firth (Treasurer from 1 April 2012)
Mrs E M Dixon
Dr A B Moncrieff
Mr C C Choy
Miss I R Holdsworth
B G Lister

Chief Executive Officer

J Cawtheray

Bankers

Lloyds TSB Bank
44 Southgate
Elland
HX5 0ES

Yorkshire Bank

Southgate
Elland
HX5 0BP

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LEGAL AND ADMINISTRATIVE DETAILS (continued)

Auditors

B M Howarth Ltd
West House
King Cross Road
Halifax
HX1 1EB

Investment Brokers

Investec Wealth & Investment (formerly Rensburg Sheppards)
Quayside House
Canal Wharf
Leeds
LS11 5PU

OVERGATE HOSPICE
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CHAIRMAN'S REPORT
for the year ended 31 March 2012

The last year has been busy and eventful for the Hospice, which celebrated its 30th Anniversary with a range of events including a special Anniversary Concert given by the Overgate choir (who also celebrated their 20th anniversary) and finally a beautiful service at Halifax Minster in September. The Halifax Courier published a supplement in June celebrating 30 years of care which helped to highlight many of the facets of Overgate.

Staffing

Jenni Feather retired as Chief Executive in March 2011 and has been succeeded by Janet Cawtheray. Janet has quickly settled into her new role and is leading the Hospice successfully through challenging times.

Louise Danielczuk, Head of Fund Raising left us after the birth of her twins because her husband gained a new appointment in the Midlands. Louise's successes are being maintained and developed by Laura Golding who replaced her in the summer.

Karen Hagreen began work in January of this year as Senior Nurse enabling Elaine Baines, Clinical Manager to focus on strategic work, including ensuring that Overgate meets the quality standards required by our patients and their families and friends as well as the Care Quality Commission and other statutory bodies.

Dr Rachel Sheils has continued to lead our medical team effectively, working closely with colleagues in Calderdale and Huddersfield NHS Foundation Trust. A long serving member of the medical team, Dr Brian Whitaker retired this year and we are delighted that he has agreed to accept a position as Patron and to act as an Ambassador for the Hospice in the future.

Day Hospice

The extended Day Hospice facilities, largely funded by a grant from the Department of Health, were formally opened by the Duke of Gloucester in November, supported by the Lord Lieutenant, Dr Ingrid Roscoe. The Duke of Gloucester and Lord Lieutenant are keen advocates for the Hospice and their involvement is much appreciated.

Patients and staff are pleased with the new Day Hospice facility which will enable more people to benefit from attendance.

Fundraising

The Fundraising team has continued to raise significant amounts of money for the Hospice with tremendous support from volunteers and the public of Calderdale and beyond. Many people have organised events on behalf of the Hospice and we are indebted to them for their support and help. The shop managers and volunteers working in the retail arm of Overgate have managed to attract more income than in previous years, despite the economic climate and our thanks are due to them.

A new web-site (www.overgatehospice.org.uk) was launched in the autumn which has attracted positive feedback and interest.

NHS Calderdale has continued to give the Hospice a grant covering under a third of our costs and they have also made non-recurrent income available to improve our infra-structure and enable work to be done to assess the feasibility of developing a Hospice at Home service with other providers. Whilst we would welcome a bigger contribution from the NHS, we are grateful for their support.

OVERGATE HOSPICE
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CHAIRMAN'S REPORT (continued)
for the year ended 31 March 2012

Care Quality Commission

The Care Quality Commission became responsible for assessing standards in hospices in 2011 and they made an unannounced visit to Overgate in November their report is available on their web-site and it indicates that they were satisfied with the areas they assessed, reflecting well on Overgate staff and volunteers

Directors

Our Chairman for the last seventeen years, Mary Wilkinson, retired from the Chair on March 31 this year Her contribution to Overgate and her wise, effective and humorous leadership will be missed but we are pleased that she will continue as a Director Valerie Steele has been appointed in her place, and with her expertise gained in the NHS and working with Bradford University will be well placed to deal with the changes which are having great impact on hospices

Michael Steele has resigned from the role of Treasurer and has been succeeded by Ian Firth who joined the Board this year Michael Steele will continue as a Director and Company Secretary where his legal knowledge is of great value to the Board

Thanks

Overgate depends on raising funds for the majority of our income to enable us to care for patients and their families

We continue to be grateful for the public's generosity in donations and legacies and for their participation in events organised by, or for, Overgate We are also grateful to the myriad of people who help us to raise the funds necessary to keep the Hospice going

Enormous thanks are due to the staff and volunteers working at, and for Overgate, their contribution is inestimable and without them, it would not be possible to offer the care we do for people with serious illness in Calderdale

Mary Wilkinson, Chair March 2012
Val Steele, Chair from April 2012

OVERGATE HOSPICE
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ANNUAL REPORT
for the year ended 31 March 2012

Directors' Report

The Directors present their Annual Report together with the consolidated Financial Statements of the Charity and its subsidiary for the year ended 31 March 2012

The reference and administrative information set out on pages 1 and 2 form part of this report. The Financial Statements comply with current statutory requirements and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The Directors have complied with the duty in the Charities Act 2011 to have due regard to guidance published by the Charities Commission, including public benefit guidance.

Objects and Principal Activities

The charity, Overgate Hospice, was founded to care for people suffering from incurable illnesses. During the year, the objectives of the organisation have been achieved by running Overgate Hospice, Elland and developing (where affordable) other specialist palliative care services that complement and support those already available in Calderdale. In providing such facilities and care services the Hospice provides a public benefit in line with its prime object.

Statutory funding for the Hospice accounts for only a minority of the income required and consequently the charity remains heavily reliant upon its own fundraising activities. From 1 April 2010 the fundraising activities of Retail operations and the Overgate Hospice lottery were transferred to a new trading subsidiary, Overgate Hospice Support Ltd.

Governing Document

Overgate Hospice is a company limited by guarantee, a registered charity, and does not have share capital. The liability of members is limited by the Memorandum and Articles of Association to £1. Overgate Hospice is governed by the terms of its Memorandum and Articles of Association and managed by the Board of Directors.

There were 26 members of the charity as at 31 March 2012 (2011: 26). All other relevant details can be found on pages 1 - 2.

Recruitment and Appointment of Trustees

The Directors of the company are also charity trustees for the purposes of charity law and under the company's Articles are known as members of the council. Under the requirements of the Memorandum and Articles of Association one third of the members will retire from office by rotation at the Annual General Meeting.

The current Directors are as listed on page 1. Mr R Ian Firth was appointed on 18 July 2011.

Three Directors will retire by rotation at the Annual General Meeting and are eligible for re-election.

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ANNUAL REPORT (continued)

Trustee Induction and Training

The majority of the current trustees have served the Hospice for a number of years and are therefore very familiar with the charity's work. New trustees are appointed after an agreed probationary period to allow time for induction and training. Trustees are encouraged to attend and represent the Hospice throughout the year on both a formal and informal basis. All trustees are provided with the Charity Commissions guide "The Essential Trustee".

Risk Management

A review of all major risks has been undertaken in conjunction with the organisation's insurance arrangements. Where appropriate, systems and procedures have been established to mitigate the risks to which the charity is exposed. Significant external risks to funding levels have led to the development of a fundraising plan, which allows greater diversification for income generation.

Organisational Structure

The Board of Directors, comprising nine members of the 14 permitted by the Articles of Association, are responsible for the strategic direction and policy of the Charity. The full Board met monthly during the year, and was attended by members of the Senior Management Team, including on all occasions, the Chief Executive.

A Scheme of delegation is in place and the day-to-day responsibility for the running of the Hospice rests with the Chief Executive and through her with the Senior Management Team.

In the light of advice from the Chief Executive, the Board is currently reviewing these arrangements.

Clinical Activity

Inpatient Unit:

256 patients were admitted to the In Patient Unit during 2011/12. This was an increase of 34 on the previous year and shows that greater numbers of patients and their families were able to experience hospice care. Greater detail is available in the Quality Account.

Day Hospice:

204 patients accessed Day Hospice services of which 188 were new patients and the remaining 16 were patients re-referred to the service.

The new Day Hospice building which was completed in June 2011 allows the team to deliver services in a comfortable, bright and appropriate setting which meets the needs of the patients and their families. The feedback regarding the accommodation is positive from patients and a recent consultation event provided an opportunity for them to tell us the good things about the service and areas that could be improved.

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ANNUAL REPORT (continued)

Carers' Project:

This service provides support to family members and others caring for those with life limiting illnesses and has been recognised as outstanding by Help the Hospices. The Directors acknowledge the continuing support of the Community Foundation for Calderdale in providing funding following a successful pilot.

Staffing

Janet Cawtheray was appointed as Chief Executive Officer following the retirement of Jenni Feather on 31 March 2011.

The Directors once again express their appreciation for the hard work and commitment shown by all Hospice staff, who, collectively contribute to the superb level of patient care.

Volunteering

The Hospice could not function without the many volunteers who support it in a variety of ways at many levels. The Directors would like to express their deep gratitude to the loyalty and dedication of all its volunteers.

Fundraising

Statutory funding (from NHS Calderdale) has accounted for approximately 30% of the required income and consequently the Hospice remains heavily reliant upon its own fundraising. The activity of the Hospice shops, the Friends of Overgate, the Overgate Hospice Choir and a productive and creative fundraising programme which engages the superb support of the local community, has again produced substantial income for which the Directors are grateful.

The retail operations and the Overgate Lottery together with some Fundraising events are operated by the wholly owned, Overgate Hospice Support Ltd. All of that trading subsidiary's profits are given as a donation to Overgate Hospice for charitable purposes.

Legacies

Legacies form an extremely important part of funding for the Hospice and the Directors are grateful to all those who remember Overgate Hospice in their wills.

Financial Review

By its very nature, the annual level of legacy income can fluctuate significantly. The level for the year to 31 March 2012 was £264,000 less than in the previous year, a fall of 48%.

Recurrent funding at £627,000 from NHS Calderdale remained at the same level as the previous year and was sufficient to cover only 32% (2011 33%) of the expenditure on charitable activity costs (care costs). This support is expected to continue in the next Accounting Year while changes to the National Health Service are implemented.

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ANNUAL REPORT (continued)

Increased levels of income from the public in Overgate's 30th anniversary year compensated to some extent for the fall in legacy income sufficient to be able to report that the charity resulted in a small net profit on general funds for the year of £118 with the Directors having designated a non-recurrent grant from NHS Calderdale of £250,000 towards improving and replacing aged IT equipment and for feasibility studies for the remodeling of the inpatient unit and other purposes approved by the NHS Calderdale

The value of Stock Market investments remained at a similar level to that of the previous year with surplus funds being built up as short term deposits rather than adding to the managed investment portfolio. A return to making additional Stock Market investments will be made when the Directors consider the timing appropriate and with guidance from the Investment Brokers

One of the characteristics of the funding of the Hospice is that it relies very heavily on fortuitous forms of income, especially legacies, and remains very vulnerable to potential fluctuations in charitable giving. It is for this reason that the Directors have the following policy on retaining reserves

Reserves Policy

Unlike many charities that are project-based or are grant making in nature and can vary their expenditure to suit the level of income they have received in any one year, Overgate Hospice is committed to providing a continuing service to the terminally ill people in Calderdale. It has a very high level of "fixed" costs and it cannot reduce its commitments in the event of a poor year in terms of fundraising

On the income side, the organisation has a high proportion of purely fortuitous income such as legacies, donations, and fundraising by clubs, churches, etc. Therefore, Overgate Hospice maintains the policy of retaining reserves of between six and twelve months of running costs, wherever possible. Normally, the specific objectives of this policy are to

“ provide a reasonably secure and predictable income stream for the charity from investments, minimise the need for fundraising for the Hospice by the people of Calderdale, underwrite annual fluctuations in fortuitous income; secure the provision of an appropriate level of service for the foreseeable future ”

At 31 March 2012 Overgate Hospice holds reserves, which for this purpose are considered to be the equivalent of undesignated general funds excluding those represented by tangible fixed assets, amounting to £2,727,625 (2011 £2,620,088). The reserves at 31 March 2012 are sufficient to cover 17 months (2011 16 months) of the Hospice's charitable activity costs

The Hospice has a five-year business plan which is being carefully monitored by Directors and is revised annually in the light of performance against the plan and to accommodate changing circumstances. The Directors believe that, without maintaining this level of reserves, it would not be possible to plan service developments and prudently run the charity in the long term

OVERGATE HOSPICE
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ANNUAL REPORT (continued)

Statement on Investments

The investments are managed on behalf of the Directors by Investec Wealth & Investment (formerly Rensburg Sheppards) within the parameters of an agreed policy. All investments are made in accordance with the provisions of the Trustee Act 2000 and subsequent amendments. Funds are invested with the objective of providing both income and long-term growth, with provision to allow sufficient flexibility for Overgate Hospice to effectively manage its cash flow. Investec Wealth & Investment are fully aware of the objectives and ethos of the charity and the investment policy requires it to advise the charity when any potential investments could possibly be at odds with that ethos. Final responsibility for investment decisions lies with the Directors through the Hospice's Finance Sub-Committee.

Plans for the Future

NHS Calderdale have provided project funding to enable Overgate, with Community Partners, to assess the feasibility of developing a Hospice at Home service in the future to enable more people with life threatening illness, and their families to receive care and support in the community.

Custodian Trusteeship

Overgate Hospice is the sole trustee of the Charity for Nursing Home or Homes whose only assets are the original house and land currently occupied by the Hospice and which are incorporated into these financial statements. The objectives of this charity are similar to that of Overgate Hospice.

Declaration

The Directors confirm that the financial statements comply with current statutory requirements and with those of the Memorandum and Articles of Association, that the investments held by Overgate Hospice have been acquired within the powers available to the Directors, and that the funds of the organisation are sufficient to meet its obligations.

Auditors

The auditors, B M Howarth Ltd, are deemed to be reappointment under Section 487(2) of the Companies Act 2006.

On behalf of the Board of Directors



V A Steele
Director
30 July 2012

OVERGATE HOSPICE
(a company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
IN RESPECT OF THE PREPARATION OF THE FINANCIAL STATEMENTS

Members of the Board, who are Directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable laws and regulations

Company and charity law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing those financial statements the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue to operate

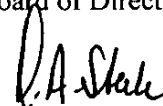
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the charity's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

In so far as the Directors are aware

- there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and
- each Director of the charitable company has taken all the steps that which he or she ought to have taken in order to make himself or herself aware of any relevant audit information and to establish that the charity's auditors are aware of that information

On behalf of the Board of Directors



V A Steele
Director

30 July 2012

OVERGATE HOSPICE
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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OVERGATE HOSPICE

We have audited the financial statements of Overgate Hospice for the year ended 31 March 2012 which comprise the Consolidated Statement of Financial Activities (including summary Income and Expenditure account), the Consolidated and Company balance sheets, the Consolidated Cash Flow Statement and the related notes on pages 17 to 27. 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 charity'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 charity's members those matters we are required to state to them in an auditor's 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 charity and the charity's members as a body for our audit work, for this report or for the opinions we have formed.

Respective responsibilities of Trustees and Auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that the financial statements give a true and fair view.

Our responsibility is to audit the financial statements 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 error or fraud. 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 Trustees' 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 group's and parent charitable company's affairs as at 31 March 2012 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- the financial statements have been prepared in accordance with the Companies Act 2006.

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INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF OVERGATE HOSPICE (continued)

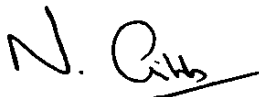
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual 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



Nigel Cribb (Senior Statutory Auditor)
For and on behalf of B M Howarth Ltd
Chartered Accountants and Statutory Auditor
West House
King Cross Road
Halifax
HX1 1EB

30 July 2012

OVERGATE HOSPICE
(a company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including summary income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2012

	Note	General £	Unrestricted designated £	Restricted £	Endowment £	Total £	31 March 2011 £
Incoming resources:							
Voluntary income							
Donations	2	661,876	-	-	-	661,876	507,285
Legacies		288,547	-	-	-	288,547	552,795
Grants	3	5,104	250,000	2,033	-	257,137	407,164
		<u>955,527</u>	<u>250,000</u>	<u>2,033</u>	<u>-</u>	<u>1,207,560</u>	<u>1,467,244</u>
Activities for generating funds							
Retailing	4	822,762	-	-	-	822,762	696,958
Lottery	5	155,891	-	-	-	155,891	157,360
Fundraising events		221,557	-	-	-	221,557	178,275
		<u>1,200,210</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,200,210</u>	<u>1,032,593</u>
Investment income	6	38,703	-	-	-	38,703	37,317
Income resources from generated funds		2,194,440	250,000	2,033	-	2,446,473	2,537,154
Income resources from charitable activities	7	647,452	-	15,000	-	662,452	660,658
Total incoming resources		2,841,892	250,000	17,033	-	3,108,925	3,197,812
Resources expended							
Cost of generating voluntary income		204,407	-	-	-	204,407	219,614
Fundraising trading costs of goods sold and other costs		<u>663,181</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>663,181</u>	<u>407,838</u>
Cost of generating funds		867,588	-	-	-	867,588	627,452
Inpatient care		1,686,366	-	1,200	-	1,687,566	1,631,173
Day care		222,402	-	-	-	222,402	263,506
Bereavement and family support		23,586	-	2,033	-	25,619	21,595
Charitable services		1,932,354	-	3,233	-	1,935,587	1,916,274
Governance costs		41,832	-	-	-	41,832	55,850
Total resources expended		2,841,774	-	3,233	-	2,845,007	2,599,576

OVERGATE HOSPICE
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CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(including summary income and expenditure account)
FOR THE YEAR ENDED 31 MARCH 2012
(continued)

	Note	General £	Unrestricted designated £	Restricted £	Endowment £	Total £	31 March 2011 £
Net incoming resources for the year		118	250,000	13,800	-	263,918	598,236
Realised gains on sale of investments		-	-	-	-	-	9,207
Net incoming resources before transfers		118	250,000	13,800	-	263,918	607,443
Transfers between funds		171,177	(169,000)	(2,177)	-	-	-
Net incoming resources before other recognised gains and losses		171,295	81,000	11,623	-	263,918	607,443
(Loss)/gain on revaluation of investments	14	(9,993)	-	-	-	(9,993)	30,841
Net movement in funds		161,302	81,000	11,623	-	253,925	638,284
Total funds brought forward		2,762,240	169,000	822,612	85,000	3,838,852	3,200,568
Total funds carried forward		2,923,542	250,000	834,235	85,000	4,092,777	3,838,852

All amounts relate to continuing activities of the group

The group has no recognized gains and losses other than those included above, and therefore no separate statement of total recognised gains and losses has been presented

There has been no movement on Endowment Funds during the year therefore no separate statutory summary income and expenditure account has been prepared

The notes on pages 17 to 27 form part of these financial statements

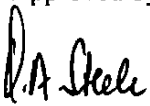
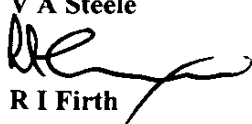
OVERGATE HOSPICE
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CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 MARCH 2012

	Notes	Group 31 March 2012 £	31 March 2011 £	Charity 31 March 2012 £	31 March 2011 £
Fixed assets					
Tangible	13	1,435,009	1,218,764	1,415,374	1,198,824
Investments	14	1,085,152	1,025,049	1,085,153	1,025,050
		2,520,161	2,243,813	2,500,527	2,223,874
Current assets					
Debtors	15	126,341	101,060	439,175	234,718
Short term deposits		1,061,497	1,033,211	1,061,497	1,033,212
Cash at bank and in hand		574,832	735,093	213,728	552,228
		1,762,760	1,869,364	1,714,400	1,820,158
Creditors amounts falling due within one year	16	190,144	274,325	122,150	205,180
Net current assets		1,572,616	1,595,039	1,592,250	1,614,978
Net assets		4,092,777	3,838,852	4,092,777	3,838,852
Represented by:					
Restricted funds	17	834,235	822,612	834,235	822,612
Designated funds	18	250,000	169,000	250,000	169,000
General funds		2,923,542	2,762,240	2,923,542	2,762,240
Total unrestricted		3,173,542	2,931,240	3,173,542	2,931,240
Endowment funds	19	85,000	85,000	85,000	85,000
Total funds	20	4,092,777	3,838,852	4,092,777	3,838,852

Company Registration No. 1510521

Approved by the trustees on 30 July 2012 and signed and authorised for issue on their behalf by


V A Steele

R I Firth

The notes on pages 17 to 27 form part of these financial statements

OVERGATE HOSPICE
(a company limited by guarantee)

CONSOLIDATED CASH FLOW STATEMENT
AS AT 31 MARCH 2012

	2012		2011
	£	£	£
Reconciliation of net income to operating cash flows			
Net incoming resources before other recognized gains and losses for the year	263,918		607,443
Investment income	(38,703)		(37,317)
Depreciation charge	12,982		68,099
Profit/(loss) on sale of investments	-		(9,207)
Decrease/(increase) in debtors	(25,371)		462,618
(Decrease)/increase in creditors	(84,181)		149,809
	<u>128,645</u>		<u>1,241,445</u>
Net cash inflow from operation activities			
Returns on investments			
Interest received	5,693	7,997	
Dividends received	33,010	29,320	
	<u>38,703</u>		37,317
Investing activities			
Payments to acquire tangible fixed assets	(229,227)	(342,691)	
Payments to acquire investments	(70,096)	(85,851)	
Proceeds from sale of investments	-	50,768	
	<u>(299,323)</u>		<u>(377,774)</u>
Net cash (outflow)/inflow for the year	<u>(131,975)</u>		<u>900,988</u>
	2012		2011
	£		£
Analysis of change in cash during the year			
Short term deposits, cash and bank balances			
At 1 April 2011	1,768,304		867,316
(Decrease)/increase in balances	(131,975)		900,988
At 31 March 2012	<u>1,636,329</u>		<u>1,768,304</u>

OVERGATE HOSPICE
(a company limited by guarantee)

NOTES TO THE ACCOUNTS

1. Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of listed investments at market value and follow the Statement of Recommended Practice (SORP) Accounting and Reporting by Charities issued in March 2005 and applicable UK Accounting Standards and the requirements of the Companies Act 2006. The charity has adapted statutory formats to reflect the special nature of the charity's activities.

(b) Company Status

The charity is a company limited by guarantee. The members of the Board of Directors are the trustees named on page 1. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. At 31 March 2012 there were 26 members (2011: 26).

(c) Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

The Company has a five-year business planning cycle and, as part of that process, sets aside funds to pay for, underwrite or allow for key projects and contingencies that do not fall within the normal budgeted running costs of the charity. These designated funds each have a specific purpose and are adjusted on an annual basis to reflect the use of those funds and whether they are still required.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements.

Endowment funds represent those assets which must be held permanently by the charity.

(d) Incoming Resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Voluntary income received by way of donations and fundraising events are accounted for on a receipts basis. For legacies, entitlement is the earlier of the charity being notified of impending distribution or the legacy being received.

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Payments in advance made to the Lottery account are deferred until the monies have been allocated to games played

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale through charity shops are included as incoming resources within activities from generated funds when they are sold. Gifted investments are included at valuation on the date they are added to the portfolio. Donated facilities are included at the value to the charity where this can be quantified and a third party is bearing the cost.

The value of services provided by volunteers exceeds measurement and consequently is not incorporated into these financial statements.

(e) Grants

Statutory revenue grants are recognised on an accruals basis, whereby credit is taken in the income and expenditure account for amounts receivable and not received and provision is made for any grant received in advance.

Expenditure incurred as a result of these grants is matched against the income receivable for the year.

Capital grants are treated as restricted funds and any depreciation relating to the specifically funded asset is charged against the restricted fund over the estimated useful life of the asset.

(f) Resources Expended

All expenditure is accounted for on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds are those incurred in organising fundraising events, seeking voluntary contributions and the costs of trading for fundraising purposes including the charity's shops, friends groups and lottery.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs comprise those costs associated with meeting the constitutional and statutory requirements of the charity and include audit fees and costs linked to the strategic management of the charity.

All costs are allocated between expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned as appropriate.

Expenditure on Overgate shop refurbishments are written off over a period of 5 years. The amount spent but not included within resources expended in the period is treated as a deferred cost and included within prepayments.

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NOTES TO THE ACCOUNTS

(g) Tangible Fixed Assets and Depreciation

The group's tangible fixed assets are capitalised and included at cost including any incidental expenses of acquisition

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight line basis over their expected useful economic lives as follows.

Leasehold property improvements -	over term of lease
Fixtures, fittings and equipment -	20% per annum
Motor vehicles -	25% per annum

The freehold property and its improvements have historically been depreciated to 30 September 2011 at a rate of 4% per annum, however the Board have decided that no further depreciation will be charged since (a) the Hospice property is annually maintained to such a standard whereby there is no reduction in its carrying value through use and (b) they consider that the property's net realizable value is in excess of its carrying value. If the previous depreciation policy continued in use the depreciation charge for the year would have been £84,744. The property will continue to be subject to annual impairment reviews and adjustments made as necessary.

(h) Investments

Investments are stated at market value at the balance sheet date. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

(i) Pension Schemes

Employees who are already active members of the NHS Pension Scheme when they join the charity's employ are permitted to continue contributing to the Scheme. Rates are set by the NHS Pensions Agency. The scheme is a multi-employer scheme and it is not possible to identify the assets and liabilities attributable to the charity, so in accordance with FRS17 the scheme is accounted for as a defined contribution scheme.

The charity also operates defined contribution schemes for the benefit of other employees.

Contributions to defined contribution schemes are charged in the Statement of Financial Activities as they become payable.

(j) Leasing

Rentals payable under operating leases are treated as resources expended on a straight line basis over the term of the lease.

2. Donations

	2012 £	2011 £
General	416,938	308,860
In memoriam	162,631	134,725
Corporate support	32,649	26,653
Collecting boxes	24,955	19,325
Friends groups (see analysis)	24,703	17,722
	<u>661,876</u>	<u>507,285</u>

OVERGATE HOSPICE
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NOTES TO THE ACCOUNTS

Donations (continued)

	2012	2011
	£	£
Donations included Gift Aid of	47,893	9,789
	£	£
Friends Groups		
Halifax	819	-
Elland	1,541	604
Todmorden	5,000	5,205
Sowerby Bridge	2,000	1,609
Brighouse	343	5,660
Overgate Choir	15,000	4,644
	24,703	17,722

A change was made in method of accounting for income from Friends Groups in the previous year. Income had previously been recognised on receipt by the charity rather than on the accruals basis which took into consideration amounts generated by the Friends Groups but which had not been remitted to the charity by the end of each financial year.

3. Grants received

	2012	2011
	£	£
Restricted funds		
Calderdale Community Foundation – carers’ group	2,033	3,950
Government grant - day care unit extension	-	397,925
	2,033	401,875
Designated funds		
Non-recurrent PCT funding for IT equipment replacements and hospice remodeling studies	250,000	-
Other charitable grants without restriction	5,104	5,289
	257,137	407,164

OVERGATE HOSPICE
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NOTES TO THE ACCOUNTS

4. Retailing

	2012 £	2011 £
Income from sale of goods	819,516	671,084
Insurance claim	-	5,146
Gift Aid income from sale of goods	-	2,447
Donations within shops	14,784	18,281
Recycling credits	3,247	-
Total income from retailing	<u>837,547</u>	<u>696,958</u>
Direct cost of sales	23,264	17,409
Staff costs	180,753	122,711
Property costs	181,068	150,977
Other costs	62,895	42,805
Total expenditure	<u>447,980</u>	<u>333,902</u>
Net profit arising from retail activities	<u>389,567</u>	<u>363,056</u>
Number of shops	<u>11</u>	<u>11</u>

5. Lottery

	2012 £	2011 £
Income from lottery sales	155,891	157,360
Prize money	(53,000)	(52,000)
Other lottery costs	(18,170)	(21,936)
Net profit arising from lottery	<u>84,721</u>	<u>83,424</u>

6. Investment income

	2012 £	2011 £
Income from listed investments	33,010	29,320
Bank interest	5,693	7,997
	<u>38,703</u>	<u>37,317</u>

7. Income from charitable activities

	Government funding £	Other funding £	Total 2012 £	Total 2011 £
Patient care	626,743	10,283	637,026	646,662
Education and training	15,000	10,426	25,426	13,996
	<u>641,743</u>	<u>20,709</u>	<u>662,452</u>	<u>660,658</u>

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NOTES TO THE ACCOUNTS

8. Analysis of resources expended

	Direct costs £	Support costs (note 9) £	Total costs £	2011 £
Cost of generating voluntary income	145,285	59,122	204,407	219,614
Fundraising trading costs	561,829	101,352	663,181	407,838
Cost of generating funds	707,114	160,474	867,588	627,452
Inpatient care	1,318,352	369,214	1,687,566	1,631,173
Day care	173,743	48,659	222,402	263,506
Bereavement and family support	21,131	4,488	25,619	21,595
Charitable activities	1,513,226	422,361	1,935,587	1,916,274
Governance costs	33,385	8,447	41,832	55,850
Total	2,253,725	591,282	2,845,007	2,599,576

9. Analysis of support costs

	Catering and domestic £	Property and maintenance £	Management and IT £	Other costs £	Total £
Cost of generating voluntary income	23,093	7,409	25,404	3,216	59,122
Fundraising trading Costs of goods sold and other costs	39,588	12,701	43,550	5,513	101,352
Cost of generating funds	62,681	20,110	68,954	8,729	160,474
Charitable services	164,972	52,928	181,485	22,976	422,361
Governance costs	3,298	1,059	3,630	460	8,447
Total	230,951	74,097	254,069	32,165	591,282

OVERGATE HOSPICE
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NOTES TO THE ACCOUNTS

10. Wages and Salaries

	2012	2011
	£	£
Wages and salaries	1,759,780	1,591,767
Employers national insurance	134,992	125,578
Pension cost	103,593	90,968
	<u>1,998,365</u>	<u>1,808,313</u>

The trustees do not receive any remuneration or other financial benefit for their services

The company paid for a trustee indemnity policy during the year at the cost of £1,527(2011 £1,440)

The average numbers of (whole time equivalent) employees in the year were

	2012	2011
	Number	Number
Direct charitable services	45	45
Fundraising	19	16
Governance	1	1
Administrative services	5	4
Total	<u>70</u>	<u>66</u>

There were no employees whose salaries for taxation purposes exceeded £60,000 (2011 nil)

11. Net incoming resources

Net incoming resources is stated after charging

	2012	2011
	£	£
Depreciation	12,982	68,099
Auditors remuneration		
- For audit services	9,000	7,500
- For other services	13,840	2,200
Profit/(loss) on sale of fixed asset/investments	-	9,207
Operating lease rentals	<u>134,474</u>	<u>109,535</u>

In common with many charities of our size, we use our auditors to assist with the preparation of the financial statements to meet regulatory requirements and to prepare and submit corporation tax returns as required. During 2012 the auditors have also been used to assist with internal accounting, procedural and systems reviews

12. Taxation

The company is a registered charity and as such is exempt from taxation on its income so long as this is applied for charitable purposes

OVERGATE HOSPICE
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NOTES TO THE ACCOUNTS

13. Tangible fixed assets

a) Group

	Freehold property £	Leasehold property £	Fixtures, plant & equipment £	Motor vehicles £	Total £
Cost					
At 1 April 2011	2,115,112	11,014	254,758	9,750	2,390,634
Additions	205,505	-	23,722	-	229,227
At 31 March 2012	2,320,617	11,014	278,480	9,750	2,619,861
Depreciation					
At 1 April 2011	916,288	440	252,705	2,437	1,171,870
Charge for the year	-	5,287	5,257	2,438	12,982
At 31 March 2012	916,288	5,727	257,962	4,875	1,184,852
Net book value					
31 March 2012	1,404,329	5,287	20,518	4,875	1,435,009
31 March 2011	1,198,824	10,574	2,053	7,313	1,218,764

b) Charity

	Freehold Property £	Fixtures & fittings £	Total £
Cost			
At 1 April 2011	2,115,112	252,191	2,367,303
Additions	205,505	13,806	219,311
At 31 March 2012	2,320,617	265,997	2,586,614
Depreciation			
At 1 April 2011	916,288	252,191	1,168,479
Charge for the year	-	2,761	2,761
At 31 March 2012	916,288	254,952	1,171,240
Net book value			
31 March 2012	1,404,329	11,045	1,415,374
31 March 2011	1,198,824	-	1,198,824

14. Investments

a)

	Group £	Charity £
At 1 April 2011	1,025,049	1,025,050
Additions	70,096	70,096
Disposals	(-)	(-)
Unrealised loss on revaluation	(9,993)	(9,993)
At 31 March 2012	1,085,152	1,085,153

OVERGATE HOSPICE
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NOTES TO THE ACCOUNTS

b) Analysis of investments

	2012	2011
	£	£
Government securities	45,462	43,412
Listed investments and authorised unit trusts	976,588	946,916
Cash held as part of the investment portfolio	63,102	34,721
Total Group	1,085,152	1,025,049
Investment in subsidiary	1	1
Total Charity	1,085,153	1,025,050

All investments are held in the UK

The historical cost of the investments excluding cash and subsidiary is £802,714 (2011 £702,421)

c) Trading subsidiary

The hospice owns a subsidiary, Overgate Hospice Support Ltd, whose main purpose is to sell goods to raise funds for charity. The results of the subsidiary were as follows

Profit and loss account	2012	2011
	£	£
Turnover	1,027,734	926,079
Cost of sales	292,637	227,244
Gross profit	735,097	698,835
Operating expenses	243,800	213,376
Operating profit before charitable donations	491,297	485,459
Gift Aid donated to hospice	491,297	485,459
Retained profit for the year	-	-

Balance sheet	2012	2011
	£	£
Assets	419,682	233,608
Liabilities	419,681	233,607
Net assets	1	1
Represented by		
Capital	1	1
Reserves	-	-
	1	1

OVERGATE HOSPICE
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NOTES TO THE ACCOUNTS

15. Debtors

	Group		Charity	
	2012	2011	2012	2011
	£	£	£	£
Trade debtors	-	2,763	-	-
Group debtors	-	-	7,690	-
Other debtors	9,150	-	-	-
Taxation recoverable	38,973	4,949	31,913	668
Legacies receivable	55,000	56,000	55,000	56,000
Group Gift Aid donation receivable	-	-	325,956	164,462
Prepayments and other accrued income	23,308	37,348	18,616	13,588
	126,431	101,060	439,175	234,718

16. Creditors: amounts falling due within one year

	Group		Charity	
	2012	2011	2012	2011
	£	£	£	£
Trade creditors	36,884	148,235	30,212	137,627
Other taxation and social security	41,027	38,775	41,027	38,775
Sundry creditors and accruals	77,202	47,266	50,911	28,778
Deferred income	35,031	40,049	-	-
	190,144	274,325	122,150	205,180

17. Restricted funds

	Balance at 1 April 2011 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2012 £
Capital funds:					
Hospice property development grants	819,235	-	-	-	819,235
Income funds:					
Equipment and training	-	15,000	-	-	15,000
CCF – carers' support	-	2,033	(2,033)	-	-
Other	3,377	-	(1,200)	(2,177)	-
	822,612	17,033	(3,233)	(2,177)	834,235

18. Designated funds

	Balance at 1 April 2011 £	Income £	Expenditure £	Transfers £	Balance at 31 March 2012 £
Day Patient unit extension	169,000	-	-	(169,000)	-
IT and hospice remodeling studies	-	250,000	-	-	250,000
	169,000	250,000	-	(169,000)	250,000

OVERGATE HOSPICE
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NOTES TO THE ACCOUNTS

19. Endowment Funds

	£
Balance at 1 April 2011 and 31 March 2012:	
1981 Property Fund	70,000
Halifax District Nursing Charity Fund	15,000
	<u>85,000</u>

20. Net assets by funds

	General funds £	Designated funds £	Restricted funds £	Endowment funds £	Total funds £
Investments	1,420,009	-	-	15,000	1,435,009
Tangible fixed assets	195,917	-	819,235	70,000	1,085,152
Current assets	1,497,760	250,000	15,000	-	1,762,760
Creditors falling due in less than one year	(190,144)	(-)	(-)	(-)	(190,144)
Total at 31 March 2012	<u>2,923,542</u>	<u>250,000</u>	<u>834,235</u>	<u>85,000</u>	<u>4,092,777</u>

21. Charity results

No separate statement of financial activities or income and expenditure account has been shown for the Charity alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP. The total income of the Charity for the year was £2,586,673 (including a Gift Aid donation of £491,297 from the subsidiary) and its expenditure totaled £2,322,756. The net movement in funds was £263,918 before charging an unrealized investment loss of £9,993.

22. Operating Lease Commitments

Group annual commitments under non-cancellable operating leases are as follows

	2012 £	2011 £
Land and buildings:		
Expiry date		
Within one year	29,421	4,250
Between two and five years	81,900	63,760
Over five years	<u>-</u>	<u>23,250</u>

23. Controlling Interest

Overgate Hospice is managed by the Board of Directors, the members of which are the trustees of the charity.