

THE KILBRYDE HOSPICE

**THE DIRECTOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

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

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COMPANIES HOUSE

THE KILBRYDE HOSPICE

LEGAL AND ADMINISTRATIVE INFORMATION

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

THE KILBRYDE HOSPICE

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THE KILBRYDE HOSPICE

THE DIRECTOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2016

The Directors present their report and accounts for the year ended 31 March 2016.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charity's memorandum and articles of association, the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), the Financial Reporting Standard for Smaller Entities (effective January 2015) and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16th July 2014.

Objectives and activities

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

The key objective of our charity is to raise sufficient funds to establish and operate a Hospice facility providing specialist palliative care in the South Lanarkshire area and thereby improve accessibility to palliative care services for the people of South Lanarkshire.

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

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

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

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

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

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

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

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

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

THE KILBRYDE HOSPICE

THE DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

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

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

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

Ongoing Objectives

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

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

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

Kilbryde Hospice Objectives:

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

THE KILBRYDE HOSPICE

THE DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Achievements and performance

Whilst the focus in the previous year had been on the construction of the Hospice, 2015 has been a year of consolidation and service development.

The focus this year has been on the development of our clinical model, the organisation to support this and the standards and procedures we require to deliver the highest level of quality service. In addition, our fundraising activities have been focused on increasing our reserves in advance of planned increases in income required in 2016-17 as we move to the full implementation of palliative care services.

The Board appointed Gordon McHugh as our Chief Executive in April 2015. Gordon will work initially on a part-time basis to implement our strategic plans over the next two years.

The Board and staff of the hospice has been in active discussion with NHS Lanarkshire and the Health and Social Care Partnership to determine how Kilbryde Hospice will fit into the new Palliative Care model being established in Lanarkshire to ensure we can assist in alleviating the pressure on acute hospital services whilst providing additional palliative care services for the Lanarkshire area.

Our Clinical Governance group have started to develop National Care Standards (Hospice Care, 2002) and have been rewarded by the achievement of accreditation by Healthcare Improvement Scotland a key milestone on our journey to full Hospice implementation.

During the course of the year there has been a focus on developing the facilities within the Hospice to support the existing Day Services and prepare for the implementation of the In-Patient facility.

Bedrooms have been furnished and a range of medical equipment purchased to facilitate the ongoing development of the services.

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

Clinical Services

Margaret Mary Cowan was appointed as our Head of Clinical Services in April 2015. Margaret Mary has extensive Palliative Care experience and has been actively developing and implementing our clinical service strategy over the last year.

Margaret Mary has taken the opportunity to develop a tiered service with an open Drop-In facility and a more structured and personalised Day Service provided through referral and assessment.

During the course of this year there has been progressive development of the services provided as we prepare for the move forward from the current psychosocial services to a full clinical palliative care service.

Our Day Service currently delivers a rehabilitative Model of Care offering complementary therapy, nursing support, exercise classes, relaxation classes, counselling, music therapy as well as peer support and group support

Day Services are built around a structured 12 week programme with an enabling approach and incorporating 5 steps to mental wellbeing. Friday is the Wellbeing Day with the goals set by the patients who attend.

During the course of the year we have had 258 referrals to Day Services, we have delivered 1001 complementary therapy sessions, facilitated 93 music therapy sessions and have managed 219 people on our counselling caseload. Our Tai Chi sessions have been also been attended by 1740 people during the course of the year.

Moving our Clinical Services to the new site has allowed us the opportunity to extend and develop our services and support a wider range of service users.

THE KILBRYDE HOSPICE

THE DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

The people we are supporting continue to have much more complex needs. More people are coming through referral or suggestion from a health or social care professional rather than self-referral.

Cancer remains the most common condition that people present as having issues. There are, however, high numbers of people affected by Multiple Sclerosis, COPD and Parkinson's Disease utilising the day services, with staff having now established good relationships with the specialist nurses involved.

Links with local health professionals, GP's, Specialist Nurses and other palliative care providers continues to be a priority.

We have also initiated a series of Palliative Care educational events for local GP's, bringing leaders in the field to East Kilbride to speak at these events.

Our Care@Home project completed its 4th year of operation in conjunction with our project partners at St Andrews Hospice. This project allows the services of our day hospice to reach those unable to attend the hospice when they are most in need. This project has now become integrated into our core services with over 140 referrals during the course of the year.

We have provided 361 nurse visits, 627 complementary therapist visits and 184 befriender visits over the course of the year.

We have also completed a pilot project taking our services into 2 local care homes with a related abstract and poster presented on this at two prestigious conferences nationally by our staff.

We have introduced a Successful Carers Course this year with groups of 6 carers being provided counselling and therapeutic support.

In addition to these clinical services, we also have maintained an active Drop-In service for all patients and carers with over 1200 visits during the course of the year.

Fundraising

Despite the difficult economic environment and the related impact on the community and corporate supporters, we continued to increase our fundraising income year on year.

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

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

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

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

THE KILBRYDE HOSPICE

THE DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Our Corporate support this year has increased significantly working with many companies, such as: CCG; RBS; Sainsburys; MacLay Murray & Spens; AS Scaffolding; Central Car Auctions; Blue Parrot, Enviroclean Scotland and The City Charitable Trust.

We were the beneficiary of a number of charitable trusts including £32,833 from the North Lanarkshire Change Fund; £25,000 from the Robertson Trust; £35,000 from The Wolfson Foundation; £18,000 from the Morrisons Foundation; £9,900 from the St James Palace Foundation, £7,326 from Big Lottery Awards for All and a number of smaller donations.

Retail

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

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

An additional warehouse unit has now been leased to extend our furniture facility and provide increased storage for the retail outlets.

The East Kilbride store had to be relocated to a less attractive location with lower footfall. However, staff are trying to develop a niche market with a focus on vintage stock to attract a wider customer base.

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

Our People

Our charity was founded, manned and supported by the people of South Lanarkshire. At every level in our organisation we are dependent on the commitment, enthusiasm and support of many caring individuals.

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

Volunteers are the core of our charity at every level and every activity we conduct. The Board are extremely grateful to our volunteers for their continued support over the last 15 years and their commitment is reflected in the magnificent hospice we have built and the quality of service we aspire to deliver. Several of these volunteers have not lived to see the realisation of their dreams including our founding chairman Tony McGuinness. However, their support and commitment will never be forgotten and is enshrined in our building and the services we deliver.

Our team of staff continues to grow and expand as our services develop and their contribution and professionalism is reflected in the growing positive feedback we continue to receive from service users.

The people who matter most, however, are the people of South Lanarkshire who continue to provide us financial and moral support in abundance for the build and implementation of their local hospice.

We thank you one and all.

THE KILBRYDE HOSPICE

THE DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

Financial review

The results for the year, as shown on Page 12, are deemed satisfactory by the Board of Directors given the increased delivery of charitable activities and progress in furthering charitable objectives made during the year.

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

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

Funds as at 31st March 2016 total £4,418,061 best represented at note 18. Total funds include restricted funds of £272,622 as outlined at note 17 to be utilised in accordance with restrictions placed on such funds by the donor.

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

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

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

Structure, governance and management

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

The Directors who served during the year were:

Dr John Richards

Mr Ian Stewart

Mr Dennis Gallagher

Mr Gordon McHugh

Mr Brian Sweeney

Dr Wendy Baxter

(Resigned 15 August 2016)

Lady Susan Haughey

Mr Adam Ingram

Mrs Gretta McGuinness

Dr Hosney Yosef

Mrs Christine Sherry

Mr Joe Lowe

Mr Michael Graham

THE KILBRYDE HOSPICE

THE DIRECTOR'S REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

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

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

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

The current Board are very experienced in the charitable activities of the Hospice. However, as the hospice service has developed it has been highlighted that there is a need for Directors to maintain a more detailed understanding of our operational activities. To this end, all Directors have been requested to volunteer to shadow members of staff in their operational duties to enhance their operational knowledge and gain patient feedback.

The Hospice are utilising the Hospice UK Trustee Induction pack to support our formal induction process for new Directors. All new Directors will be also be provided an induction in each of our operational areas in the first three months of their tenure.

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

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

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

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

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

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

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

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

Disclosure of information to auditors

Each of the directors has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditors are aware of such information.

THE KILBRYDE HOSPICE

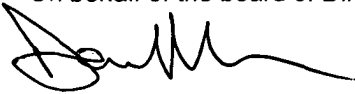
THE DIRECTOR'S REPORT (CONTINUED) *FOR THE YEAR ENDED 31 MARCH 2016*

Auditors

A resolution proposing that William Duncan + Co be reappointed as auditors of the company will be put to the members.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board of Directors



Mr Dennis Gallagher

Director

Dated: 25 November 2016

THE KILBRYDE HOSPICE

STATEMENT OF THE DIRECTOR'S RESPONSIBILITIES

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

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

In preparing these accounts, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

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

THE KILBRYDE HOSPICE

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THE KILBRYDE HOSPICE

We have audited the accounts of The Kilbryde Hospice for the year ended 31st March 2016 set out on pages 12 to 28, which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company's trustees, as a body, in accordance with section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and regulation 10 of the Charities Accounts (Scotland) Regulations 2006 (as amended). Our audit work has been undertaken so that we might state to the charitable company's members and its trustees 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 charitable company, the charitable company's members as a body and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the statement of the Director's Responsibilities, the directors, who also act as trustees for the charitable activities of The Kilbryde Hospice, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

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

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2016 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 (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the The Director's Report for the financial year for which the accounts are prepared is consistent with the accounts.

THE KILBRYDE HOSPICE

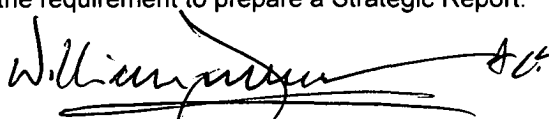
INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF THE KILBRYDE HOSPICE

Matters on which we are required to report by exception

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

- the information in the Director's Report is inconsistent in any material respect with the accounts; or
- the charitable company has not kept proper and adequate accounting records; or
- the accounts are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.
- the directors were not entitled to prepare the accounts in accordance with the small companies regime and take advantage of the small companies' exemption in preparing The Directors Report and exemption from the requirement to prepare a Strategic Report.



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

Chartered Accountants

Statutory Auditor

30 Miller Road

Ayr

Ayrshire

KA7 2AY

Dated: 25 November 2016

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

THE KILBRYDE HOSPICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2016

	Notes	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<u>Income and endowments from:</u>					
Donations and legacies	2	413,002	-	413,002	750,237
Charitable activities	4	184,900	154,680	339,580	461,280
Activities for generating funds	3	606,804	-	606,804	471,732
Investment income	5	1,479	-	1,479	815
Total income and endowments		1,206,185	154,680	1,360,865	1,684,064
<u>Expenditure on:</u>					
	6				
Costs of generating funds					
Raising funds		419,948	182	420,130	325,832
Charitable activities					
Care for the terminally ill		621,009	72,391	693,400	484,208
Total expenditure		1,040,957	72,573	1,113,530	810,040
Net incoming resources before transfers		165,228	82,107	247,335	874,024
Gross transfers between funds		(15,193)	15,193	-	-
Net income for the year/ Net movement in funds		150,035	97,300	247,335	874,024
Fund balances at 1 April 2015		3,995,404	175,322	4,170,726	3,296,702
Fund balances at 31 March 2016		4,145,439	272,622	4,418,061	4,170,726

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

All income and expenditure is derived from continuing activities.

THE KILBRYDE HOSPICE

BALANCE SHEET

AS AT 31 MARCH 2016

	Notes	2016 £	£	2015 £	£
Fixed assets					
Tangible assets	12	3,985,358		3,947,172	
Investments	13		1		1
		<u>3,985,359</u>		<u>3,947,173</u>	
Current assets					
Stocks		3,439		2,991	
Debtors	14	257,342		245,692	
Cash at bank and in hand		443,732		176,540	
		<u>704,513</u>		<u>425,223</u>	
Creditors: amounts falling due within one year	15	<u>(271,811)</u>		<u>(201,670)</u>	
Net current assets			<u>432,702</u>		<u>223,553</u>
Total assets less current liabilities			<u>4,418,061</u>		<u>4,170,726</u>
Income funds					
Restricted funds	17	272,622		175,322	
Unrestricted funds		4,145,439		3,995,404	
		<u>4,418,061</u>		<u>4,170,726</u>	

For the year ending 31st March 2016 the company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006 relating to small companies but as the company is a charity, it is subject to audit under the Charities and Trustee Investment (Scotland) Act 2005, with the audit also being carried out under the Companies Act 2006.

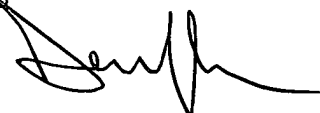
The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and the Financial Reporting Standard for Smaller Entities (effective January 2015).

The accounts were approved by the Board on 25 November 2016



Mr Ian Stewart
Director



Mr Dennis Gallagher
Director

Company Registration No. SC224366

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared in accordance with applicable accounting standards, Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard for Smaller Entities published on 16th July 2014, the Financial Reporting Standard for Smaller Entities (effective January 2015), the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).

The accounts have been prepared under the historical cost convention.

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small charity.

Going concern:

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

Group Accounts:

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

1.2 Incoming resources

Donations, legacies and gifts are recognised in the SOFA in the year in which they are received.

Income tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

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

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

Income from donations freely given for distribution are recognised only when distributed. Assets given for use by the charity are recognised when receivable.

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

1.3 Resources expended

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

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

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

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

All costs and expenses are allocated as appropriate.

1.4 Tangible fixed assets and depreciation

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

Leasehold buildings	2% straight line
Medical & computer equipment	20% straight line & 33.33 reducing balance
Fixtures, fittings & equipment (incl shops)	15% reducing balance & 33.33% reducing balance
Motor Vehicles	25% reducing balance

1.5 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.6 Investments

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

1.7 Stock

Stock is valued at the lower of cost and net realisable value.

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

1.8 Pensions

The charity operates a defined contributions pension scheme. Contributions are charged in the accounts as they become payable in accordance with the rules of the scheme.

1.9 Accumulated funds

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

Designated funds comprise funds which have been set aside at the discretion of the Directors for specific purposes. The purposes and uses of the designated funds are set out in the notes to the accounts.

1.10 Taxation

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

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

1 Accounting policies

(Continued)

1.11 Voluntary help

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

1.12 Reserves Policy

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

2 Donations and legacies

	2016 £	2015 £
Donations and gifts	413,002	750,237
Donations and gifts		
Unrestricted funds:		
Donations and gift aid	287,862	658,247
Gifts in kind	125,140	91,990
	413,002	750,237

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

3 Activities for generating funds

	2016 £	2015 £
Activities for generating funds	606,804	471,732
	<u>606,804</u>	<u>471,732</u>
Included within activities for generating funds		
FR Charity events	128,504	83,295
FR Campaigns	11,726	92,596
FR Community fundraising	206,091	71,521
FR Charity shops	236,661	215,900
FR Lottery - 500 Club	7,596	6,692
FR Raffles	16,226	1,728
	<u>606,804</u>	<u>471,732</u>

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

4 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Care for the terminally ill	184,900	154,680	339,580	461,280

Included within income relating to Care for the terminally ill are the following grants

NHS Lanarkshire - Ground Rent	26,000	26,000
NHS Lanarkshire - Day Hospice	153,900	153,900
Cruden Foundation Trust	-	2,500
MV Millhouse Trust	-	1,000
The James Weir Foundation	3,000	-
J & J R Wilson Trust	1,000	-
Ann Jane Green Trust	1,000	1,000
The Albert Hunt Trust	-	20,000
The Hugh Fraser Foundation	-	20,000
The Trades House of Glasgow	-	1,000
NHS Lanarkshire Change Fund - restricted	32,833	75,000
RBS Community Grant - restricted	-	32,610
SLC Renewable Energy Fund 1 - restricted	-	36,837
SLC Renewable Energy Fund 2 - restricted	-	91,433
The D'Oyly Carte Charitable Trust - restricted	3,000	-
Morrisons Foundation - restricted	18,000	-
The Wolfson Foundation - restricted	35,000	-
Crerar Hotels Trust - restricted	5,000	-
The Robertson Trust - restricted	25,000	-
The Steel Charitable Trust - restricted	5,450	-
St. James Place Foundation - restricted	9,900	-
Big Lottery Awards for All - restricted	7,326	-
Hospice Aid Uk - restricted	1,495	-
Sir Alec Black's Charity - restricted	2,676	-
The Persula Foundation - restricted	1,000	-
The AMW Charitable Trust - restricted	3,000	-
The Hugh Fraser Foundation - restricted	5,000	-
	339,580	461,280

5 Investment income

	2016 £	2015 £
Interest receivable	1,479	815

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

6 Total expenditure

	Staff costs £	Depreciation £	Other costs £	2016 £	2015 £
Costs of generating funds					
Raising funds	200,506	14,268	215,356	430,130	325,832
Charitable activities					
<u>Care for the terminally ill</u>					
Activities undertaken directly					
Direct staff costs	321,941	-	-	321,941	309,658
Other direct and direct support costs	38,000	93,715	225,116	356,831	168,467
Governance costs	-	-	4,628	4,628	6,083
	359,941	93,715	229,744	683,400	484,208
	560,447	107,983	445,100	1,113,530	810,040

Governance costs at note 9 includes payments to the auditors of £4,500 (2015- £4,500) for audit fees.

Support costs at note 8 includes £9,850 inclusive of VAT, (2015- £12,713 inclusive of VAT) for other accountancy and payroll services.

7 Raising funds

	2016 £	2015 £
Other costs comprise:		
Postage & stationery	5,817	6,195
Advertising & promotion	1,555	1,137
500 Club prizes	6,000	6,000
Event & campaign running costs	60,613	82,013
Collection expenses	3,072	1,512
Charity shops expenses	15,557	15,763
Charity shops rent (gift in kind)	70,000	40,000
Charity shops water rates	11,830	10,996
Charity shops heat & light	9,460	19,167
Charity shops van (gift in kind)	7,140	7,140
Loss on disposal of assets	1,055	-
Retail card charges	2,080	2,600
Insurance	-	553
Shop & warehouse rent	21,177	22,000
	215,356	215,076

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

8 Other direct and direct support costs

	2016 £	2015 £
Other direct and direct support costs comprise:		
Accountancy & payroll	9,850	12,713
Office rent (gift in kind)	-	11,250
Advertising & promotion	1,950	221
Printing & stationery	3,532	4,082
Medical supplies	3,954	387
Vehicle insurance	1,130	703
Sundry expenses	681	6,947
Premises expenses	4,446	-
Vehicle running costs	1,813	1,114
Taxis	901	4,885
Vehicle leasing	5,098	6,378
Insurance	5,357	3,499
Legal & professional	5,198	3,061
Computer & software	5,422	3,129
Heat & light	30,917	7,467
Ground rent	26,000	26,000
Security	70,566	44,232
Cleaning & clinical waste	21,025	4,604
Telephone & internet	11,553	-
Catering supplies	6,294	-
Water rates	8,805	-
Telephone & internet - restricted	40	-
Printing and stationery - restricted	69	257
Medical supplies - restricted	105	1,276
Sundry expenses - restricted	160	109
Legal and professional - restricted	-	90
Vehicle running costs - restricted	250	-
	225,116	142,403

9 Governance costs

	2016 £	2015 £
Other governance costs comprise:		
Legal and professional	128	1,583
Audit fees	4,500	4,500
	4,628	6,083

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

10 Directors

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

No director received reimbursement of out of pocket expenses or for fundraising costs borne personally (2015-£nil). The value of unclaimed expenses is considered to be immaterial.

11 Employees

Number of employees

The average monthly number of employees during the year was:

	2016 Number	2015 Number
Fundraising and Support	13	11
Patient care	8	5
	<u>21</u>	<u>16</u>

Staff costs of the company for the year total £560,447 (2015 - £418,653). This is split, wages and salaries £519,203 (2015 - £385,877), pension costs £8,486 (2015 - £9,259) and social security costs £32,758 (2015 - £23,517).

Staff costs include redundancy payments totalling £2,850 in the year (2015 - £nil).

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

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

12 Tangible fixed assets

	Land & Buildings Leasehold £	Medical & Computer Equipment £	Fixtures, Fittings & Shop Equip £	Motor Vehicles £	Total £
Cost					
At 1 April 2015	3,778,863	124,139	76,553	2,500	3,982,055
Additions	13,700	7,672	93,492	32,360	147,224
Disposals	-	-	-	(2,500)	(2,500)
At 31 March 2016	3,792,563	131,811	170,045	32,360	4,126,779
Depreciation					
At 1 April 2015	18,894	8,623	6,273	1,093	34,883
On disposals	-	-	-	(1,445)	(1,445)
Charge for the year	75,600	14,342	14,319	3,722	107,983
At 31 March 2016	94,494	22,965	20,592	3,370	141,421
Net book value					
At 31 March 2016	3,698,069	108,846	149,453	28,990	3,985,358
At 31 March 2015	3,759,969	115,516	70,280	1,407	3,947,172

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

13 Fixed asset investments

	£
Market value at 1 April 2015 and at 31 March 2016	1
	<u>1</u>
Historical cost:	
At 31 March 2016	1
	<u>1</u>
At 31 March 2015	1

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
The Kilbryde Hospice (Construction) Ltd	Scotland	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows:

		Capital and reserves	Profit/(loss) for the year
	Principle Activities	£	£
The Kilbryde Hospice (Construction) Ltd	Project management and development of building projects	1	-
		<u>1</u>	<u>-</u>

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

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

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

14 Debtors	2016 £	2015 £
Trade debtors	115,130	14,555
Amounts owed by group undertakings	3,706	102,510
Other debtors	123,917	116,313
Prepayments and accrued income	14,589	12,314
	<u>257,342</u>	<u>245,692</u>

15 Creditors: amounts falling due within one year	2016 £	2015 £
Trade creditors	9,277	4,663
Taxes and social security costs	15,866	7,433
Accruals	133,682	180,459
Deferred income	112,986	9,115
	<u>271,811</u>	<u>201,670</u>

16 Share capital

The Kilbryde Hospice is a company limited by guarantee and not having a share capital. The liability of any one Board member is limited to £1 in the event of a winding up of the company.

The company is controlled by its Board of Directors. No one person or entity exercises control over the company.

As the company has no share holders, the requirements of Financial Reporting Standard No.3 in respect of movements in shareholders' funds are considered inappropriate.

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

17 Restricted funds

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

	Movement in funds				
	Balance at 1 April 2015	Incoming resources	Resources expended	Transfers	Balance at 31 March 2016
	£	£	£	£	£
Care at home service	(3,678)	32,833	(42,996)	15,193	1,352
Crosscare system & training	19,437	-	(3,768)	-	15,669
Minibus	32,610	-	(3,621)	-	28,989
Furniture, Medical & IT equipment					
- SLC 1	34,973	-	(7,536)	-	27,437
Medical equipment - SLC 2	91,433	-	(433)	-	91,000
Kitchens	-	50,000	(1,875)	-	48,125
General equipment & furnishings	-	30,848	(457)	-	30,391
IT equipment	547	5,000	(182)	-	5,365
Staff costs - Day Hospice	-	15,000	-	-	15,000
Music & exercise therapy classes	-	21,000	(11,706)	-	9,294
	<u>175,322</u>	<u>154,681</u>	<u>(72,574)</u>	<u>15,193</u>	<u>272,622</u>

Project - Care at home

Care at home is a recurring revenue grant from NHS Lanarkshire Change Fund for establishing and delivering an enhanced community palliative care at home service in partnership with St Andrew's Hospice, Airdrie and The Haven, Blantyre. The costs of running the service in the year exceeded the level of income received and has been met from free reserves in order not to compromise service delivery and quality. The remaining fund balance of £1,352 relates to unspent funds of £nil and the carrying value of equipment £1,352 to be released in line with the depreciation policy over the useful life of the asset.

Project - Crosscare system

Crosscare system is a capital and revenue grant from NHS Lanarkshire to allow implementation of the Crosscare software system. An informative patient care database system to operate within the new Hospice. The remaining fund balance of £15,669 relates to unspent funds of £8,133 and the carrying value of equipment £7,536 to be released in line with the depreciation policy over the useful life of the asset.

Project - Minibus

Minibus is a capital grant from RBS Community for a Hospice minibus to make the Hospice services more accessible within the community. The remaining fund balance of £28,989 relates to unspent funds of £nil and the carrying value of the minibus £28,989 to be released in line with the depreciation policy over the useful life of the asset.

Project - SLC Renewable Energy Fund 1 & 2

SLC1 and SLC 2 are capital grants from SLC Renewable Energy Fund to contribute towards the cost of medical equipment, fixtures, fittings and IT infrastructure requirements of the new Hospice facility. The remaining fund balances of £118,437 relates to unspent funds of £42,903 and the carrying value of the assets £75,534 to be released in line with the depreciation policy over the useful life of the assets.

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

17 Restricted funds

(Continued)

Project - Kitchens

Kitchens are capital grants received from three main sources, The Wolfson Foundation £35,000, The Robertson Trust £10,000 and Crerar Hotels Trust £5,000, all collectively to cover the cost of the new cafeteria and in-patient kitchens within the Hospice building. The remaining fund balance of £48,125 relates to unspent funds of £nil and the carrying value of the kitchens £48,125 to be released in line with the depreciation policy over the useful life of the assets.

Project - General equipment & furnishings

General equipment and furnishings comprises generous contributions received from The Steel Charitable Trust, Sir Alec Black Charity, The Persula Foundation, Big Lottery Awards for All, St. James Place Foundation, The AMW Charitable Trust and Hospice Aid UK all collectively to cover the capital cost of much needed equipment and furnishings throughout the Hospice building. The remaining fund balance of £30,391 relates to unspent funds of £15,258 and the carrying value of the assets £15,133 to be released in line with the depreciation policy over the useful life of the assets.

Project - IT equipment

IT equipment are capital grants received previously from Big Lottery Awards for All and most recently The Hugh Fraser Foundation £5,000 to further enhance the IT infrastructure within the Hospice. The remaining fund balance of £5,365 relates to unspent funds of £5,000 and the carrying value of the assets £365 to be released in line with the depreciation policy over the useful life of the assets.

Project - Staff costs (Day Hospice)

Staff costs (Day Hospice) is a revenue grant received from The Robertson Trust to contribute toward direct staffing costs of the day patient service. The remaining fund balance of £15,000 remains unspent at the year end to be carried forward and spent in line with the grant conditions in the year to 31st March 2017.

Project - Music & exercise therapy classes

Music and exercise therapy classes are revenue grants received from Morrisons Foundation £18,000 and The D'Oyly Carte Charitable Trust £3,000 to contribute toward sessional staff costs in providing vital therapy classes to day patients. The remaining fund balance of £9,294 is the balance of unspent funds at the year end to be carried forward and spent in line with the grant conditions in the year to 31st March 2017.

18 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Total £
Fund balances at 31 March 2016 are represented by:			
Tangible fixed assets	3,808,325	177,033	3,985,358
Investments	1	-	1
Current assets	608,924	95,589	704,513
Creditors: amounts falling due within one year	(271,811)	-	(271,811)
	<u>4,145,439</u>	<u>272,622</u>	<u>4,418,061</u>

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

19 Commitments under operating leases

At 31 March 2016 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2016	2015	2016	2015
	£	£	£	£
Expiry date:				
Within one year	2,046	-	2,549	-
Between two and five years	10,000	-	527	5,098
In over five years	26,000	26,000	-	-
	<u>38,046</u>	<u>26,000</u>	<u>3,076</u>	<u>5,098</u>

The charitable company is committed under a long lease with NHS Lanarkshire for an annual ground rent of £26,000 for the Hospice site.

20 Commitments

Capital Commitments

The Kilbryde Hospice (Construction) Ltd, subsidiary, was contracted by The Kilbryde Hospice to project manage the construction of the new Hospice build on the charitable company's behalf. The subsidiary contracted with CCG (Scotland) Ltd, the main build contractor, to construct the new Hospice at a contract value of £3,463,904. The company was committed to the contract value of £3,463,904 of which £3,377,861 was paid, and £86,043 remained outstanding at the balance sheet date, all of which is provided for in these financial statements.

The build began on the 26th August 2013 and was largely completed by October 2014. At the year end £86,043 being the final payment and retention amount was held whilst discussions and snagging works were ongoing.

All commitments have since been settled in full in the current financial year to 31st March 2017.

THE KILBRYDE HOSPICE

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2016

21 Related parties

Controlling Parties:

The charitable company was controlled throughout the year by its board of directors.

Related Parties:

The Kilbryde Hospice (Construction) Ltd

During the year the subsidiary company provided project management services on the Hospice build amounting to £141,304 (2015: £1,611,093).

There was an inter company balance owed from The Kilbryde Hospice (Construction) Ltd of £3,706 as at 31st March 2016 (2015: £102,510) included within Debtors at note 14.

Chief Executive Officer (CEO)

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

Mr McHugh is remunerated solely by his regular employer - he is not on the payroll of the Hospice. However, his employer is compensated for the time spent as CEO on Kilbryde Hospice matters by a donation from The City Charitable Trust, a charitable organisation closely connected to Director Lady Susan Haughey, in the sum of £40,000 plus VAT. This sum is included within Gifts in Kind at note 2 and as part of staff costs at note 6.

The City Charitable Trust

In addition to the aforementioned, during the year The City Charitable Trust donated the sum of £19,030 (2015: £64,100) towards the build and running costs of the Hospice in the year.

City also gifted exclusive use of a van to the charity shops at a value of £7,140 (2015 - £7,140) in the year.

The Donna Mortimer Ballantyne Trust

During the year The Donna Mortimer Ballantyne Trust, a charitable organisation closely connected to directors Christine Sherry and Lady Susan Haughey donated the sum of £124,000 (2015: £500,000) towards the build and running costs of the Hospice in the year.