

REGISTERED COMPANY NUMBER: SC299663
REGISTERED CHARITY NUMBER: SCO10159

**REPORT OF THE TRUSTEES AND
AUDITED FINANCIAL STATEMENTS FOR THE
YEAR ENDED 31 MARCH 2011
FOR
ST ANDREW'S HOSPICE (LANARKSHIRE)**

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Hardie Caldwell LLP

Glasgow

ST ANDREW'S HOSPICE (LANARKSHIRE)

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FOR THE YEAR ENDED 31 MARCH 2011**

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ST ANDREW'S HOSPICE (LANARKSHIRE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2011. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
SC299663

Registered Charity number
SCO10159

Registered office
Henderson Street
Airdrie
Lanarkshire
ML6 6DJ

Trustees

Mr Terence Dunne	Chairman (until 04.03.11)
Rev Margaret Currie	
Sister Jacinta Boland	
Dr Gordon P Canning	
Sister Catherine Egan	Director of Patient and Public Liaison (from 25.10.11)
Very Rev James Canon Foley	
Mr Thomas Lynch	Vice Chairman (until 04.03.11 Chairman from that date)
Mr Patrick McKenna	
Rev Father Owen J Ness	
Dr Christopher Sugden	
Mr Matt Donnelly	(Appointed 04.03.11)
Mr Geoffrey Sage	Chief Executive (Appointed 05.07.10)

Company Secretary
Rev Margaret Currie

Auditors

Hardie Caldwell LLP
Registered Auditors
Chartered Accountants
Citypoint 2
25 Tyndrum Street
Glasgow
G4 0JY

Bankers

The Royal Bank of Scotland
5 Graham Street
Airdrie
ML6 6AB

Solicitors

Ness Gallacher
Stewarton Chambers
95 Stewarton Street
Wishaw
ML2 8AG

ST ANDREW'S HOSPICE (LANARKSHIRE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

REFERENCE AND ADMINISTRATIVE DETAILS (continued)

Senior Management Team

Geoffrey Sage	Chief Executive
Katie Mulgrew	Fundraising Director
Dr. Christopher J Sugden	Medical Director
Susan Dillet	Nursing Director
George Beuken	Pastoral/Spiritual Director
Jim McQuaid	Finance Director
Sr. Catherine Egan	Director of Patient & Public Liaison

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The company was incorporated on 27th March 2006, established by a Memorandum and Articles of Association. The members of the company are all members of the Religious Sisters of Charity.

Permission was granted by the Registrar of Companies to omit the word "limited" from the company name.

Recruitment and appointment of new trustees

The directors of the company are also charity trustees for the purposes of charity law. The directors have authority to appoint any person to be a director at any time. That person, however, will hold office only until the next Annual General Meeting at which point they will be formally elected. No directors are due to retire at the forthcoming AGM.

Induction and training of new trustees

All the trustees of the company are already very experienced in charity management. They are all fully aware of and fully committed to the work of the Hospice as well as to the Hospice's ethos, mission and values which continue to be those of the Religious Sisters of Charity.

Organisational structure

The Board of Trustees are responsible for the overall direction and management of the company and meet regularly. The Board appoints a Chief Executive who is responsible for the day to day management of the company along with the other members of a highly experienced Senior Management Team.

The Senior Management Team consists of the Chief Executive, Fundraising Director, Medical Director, Nursing Director, Pastoral/Spiritual Director, Finance Director and Director of Patient & Public Liaison.

Senior Management Team meetings are held every 4 weeks. A formal agenda is followed and approved minutes are made available to staff.

Wider network

St Andrew's Hospice (Lanarkshire) is an independent charity and has no subsidiaries or any interests in other companies or charities.

Related parties

The members of the company are all members of the Religious Sisters of Charity who founded the Hospice in 1986. The ethos and values of the Sisters of Charity remain the core values of the Hospice - those of Human Dignity, Compassion, Justice, Advocacy and Quality in the care provided for the most vulnerable in our communities.

The Hospice operates within the national policy context around the provision of specialist palliative care in Scotland and complies with the Regulation of Care (Scotland) Act 2000. From 1st April 2011 this act is replaced by the Public Service Reform (Scotland) Act 2010.

Until 31 March 2011 the Hospice is registered with the Care Commission as a provider of Hospice Care and as a provider of Care at Home services. It is inspected twice a year by Care Commission Officers and has met the standards for both these services with recommendations or requirements being placed on it. From 1st April the Public Services Reform (Scotland) Act creates 2 new inspection bodies - Health Improvement Scotland (HIS) and Social Care & Social Work Improvement Scotland (SCSWIS).

ST ANDREW'S HOSPICE (LANARKSHIRE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

The Hospice is also subject to regulation by NHS Quality Improvement Scotland and meets the best practice guidelines of the Nursing and Midwifery Council for nursing care.

The Hospice is a member of the Scottish Partnership for Palliative Care and a member of Help the Hospices, the Scottish and UK-wide representative bodies, respectively, for palliative care.

At a local level the Hospice works closely with NHS Lanarkshire and its staff in the three general hospitals in Lanarkshire, in the Managed Clinical Network for palliative care, in GP surgeries, care homes and other care centres across Lanarkshire.

Risk management

The trustees have a duty to identify and review the risks to which the charity is exposed.

Risk Management structures are in place and are overseen operationally by the Hospice Clinical Governance Committee.

The major risk to the charity is to ensure the continuance of partnership working with NHS Lanarkshire and to maintain the current fundraising activities in an increasingly difficult financial climate. The trustees are satisfied that the partnership working with NHS Lanarkshire and the current fundraising strategies are sound and that risks to the charity are minimised.

OBJECTIVES AND ACTIVITIES

Objectives and aims

St Andrew's Hospice is established for charitable purposes only. The Hospice is open to all people without distinction of race, gender or religion and, to ensure that no one is excluded, in common with Hospices worldwide, all services are provided free of charge to the patients.

St Andrew's Hospice aims to provide the highest and best standards of specialist palliative care to the people of Lanarkshire. The Hospice does this through its in-patient units, Day Hospice and Care at Home services as well as in outreach clinics throughout the County. In addition, the Hospice provides a range of support services for patients and their families, including pastoral and spiritual support, bereavement counselling, counselling in anticipatory grief and social welfare advice and support. Education and training in palliative care is a further objective of the Hospice and will be a major focus of activities through the promotion of palliation of the older adult in Lanarkshire care homes.

Volunteers

St Andrew's Hospice is indebted to the volunteers who give up their time to help the Hospice as well as to all those people who throughout the course of the year have helped support the Hospice financially, including through the donation of goods and consumables.

ACHIEVEMENT AND PERFORMANCE

Board Members

Following the death of Tom Gault on 22 June 2010 and the retirement of Sam Lavery (Acting Chief Executive) at the end of July, Geoffrey Sage took over as Acting Chief Executive initially on a six month contract. Following a nationally advertised selection process, Mr Sage was appointed to the substantive position on 25th October.

Mr Sage was also invited to become a member of the Board of Trustees.

After a period of 23 years, Terry Dunne MBE stood down as Chairman of Trustees. His service to the Hospice during this time and before that, with the Airdrie Hospice Appeal, has been unparalleled. His legacy is the impressive development of a service providing the highest standards of care to the people of Lanarkshire. His last meeting of the Board was on 4th March 2011. At this meeting it was agreed that Vice Chair Tom Lynch would take over as Chairman.

The Board was joined in March 2011 by Mr Matt Donnelly. Mr Donnelly has had a long association with the Hospice, and brings very valuable accountancy skills to the Board.

ST ANDREW'S HOSPICE (LANARKSHIRE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

ACHIEVEMENT AND PERFORMANCE (continued)

Charitable activities

The provision of specialist palliative care to patients and their families remains the principal focus of all charitable activities in St Andrew's Hospice.

Twenty Fifth Anniversary

Although the 25th anniversary of the opening of St Andrew's did not take place until 26th April 2011, the preparation for this event took place throughout the year. A 25th Anniversary project board first met in August 2010, and planned events and communications leading up to the anniversary date and after.

A significant focus of the Project Board was recognition of the Sisters of Charity's mission and their work in Airdrie at Assumption House before 1986. To understand the mission and the history of the Sisters, groups of staff have travelled with Sr. Agnes to Dublin to see the Mary Aitkenhead Centre at Our Lady's Hospice, Harold's Cross. A Mission presentation for induction was produced after the visit of Sister Mary Benton RSOC Mission Director. This presentation has also been shown on many occasions to existing staff who have given very positive responses.

The 25th anniversary has allowed a focus on the essential support we receive from over 400 volunteers. Their role will be celebrated as the anniversary year continues.

Facilities

Ongoing improvement of Hospice facilities has taken place over the year.

The largest project was the replacement of the main boilers. These were replaced at a cost of £48,000 in September 2010. Work commenced on the new smoking area for patients in the courtyard. This facility was opened in June 2011.

A major piece of work has been going on in our shops to rebrand the exteriors, and improve display space inside.

Liaison with other Agencies

NHS Lanarkshire remains the lead commissioner of our services, and links with them are many. We have established helpful contacts with the podiatry service, and raised the profile of the Day Hospice with community NHS services.

The Hospice is an active member of the Scottish Hospices Forum, and the Scottish Partnership for Palliative Care. We have been promoting links with other hospices through the national Human Resources Forum, and have been sharing information in this area and others.

The Hospice is a key member of the Palliative Care Managed Clinical Network, and has promoted closer links with the Lanarkshire Voluntary sector interface organisations (VANL and VASLAN). Through these contacts we have been able to find out more about services available to our patients and their families in their own homes.

Within Lanarkshire, we have promoted closer links with Kilbryde hospice and have established an agenda of topics that we feel will be mutually beneficial. Trustee level meetings are continuing.

We have also been meeting with the Haven (Palliative Care Drop-In Centre Blantyre) and are working on a joint bid for the Reshaping Care For Older People "Change Fund" to develop care at home services.

Through our schools team we maintain excellent links with Education Departments of the Councils and schools.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2011**

ACHIEVEMENT AND PERFORMANCE (continued)

Finance

Through our Finance Director work is ongoing to strengthen financial procedures and improve financial reporting and management accounting. We established a Finance and Resources Committee to work with the finance team.

Care Provision

This is unchanged from 2010/11 with 27 specialist palliative care, 3 care of the elderly and 2 respite beds. Our Day Hospice has up to 60 booked places a week, and has commenced a drop-in service on Thursdays.

Staff

One of the main staffing matters has been the management of sickness and absence. We have introduced the EASY project to provide monitoring and support for staff in the first 2 weeks of absence. For longer periods of absence, we now have access to the Working Health Services Scotland project which provides a case management service. To provide further support for healthcare, staff are able to join the SIMPLY HEALTH service to obtain financial help for e.g. dental or optometry treatment.

Staff responded magnificently to the period of extreme weather conditions commencing at the end of November. Many staff had to stay at the Hospice overnight on one occasion. Support provided by the Sisters was invaluable. We have subsequently introduced an Adverse Conditions Policy.

Operational Matters

As we seek to constantly improve services for our patients, many projects have taken place. Our Associate Specialist Doctor, Susan Jackson, is providing community sessions and working very closely with the Macmillan Team.

We have introduced patients own drugs lockers, fully implemented the Do Not Resuscitate Cardiac Pulmonary Resuscitation (DNACPR) policy and training, and introduced a new visitors policy. Dr Sugden was actively involved in the national discussion on the End of Life Assistance Bill.

In October a major project was completed when we migrated our complete information technology system to NHS Lanarkshire. We have been able to keep a distinctive St Andrew's email but now have access to the valuable NHS Lanarkshire intranet.

We were pleased to welcome Sr. Catherine back to Lanarkshire on 25th October 2010 when she returned to take on the new post of Director of Patient and Public Liaison.

Following a national recruitment process, Geoff Sage was substantively confirmed as Chief Executive on the same date.

We restructured the Finance and Administration Directorate in the New Year in order to reduce the excessive responsibility placed upon the Finance Manager, by appointing Eileen Zambonini as Hotel Services Manager.

Support Services

The demand for bereavement support from the people of Lanarkshire who have had no previous contact with the hospice remains constant. In order to ensure equity of access we have during the last 12 months introduced a new client contract.

The work in the inpatient unit and in day hospice remains wide, varied and at times challenging. We continue to provide a service that is accessed frequently and appropriately.

Education

This has been a challenging year for education as a direct effect of the current economic climate.

Numbers on our accredited modules have been smaller than in past years as education budgets have been cut and NHS staff in particular, are finding it increasingly difficult to be released for study.

ST ANDREW'S HOSPICE (LANARKSHIRE)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2011

ACHIEVEMENT AND PERFORMANCE (continued)

Fundraising

Once again we had a successful year in difficult economic circumstances. Fundraising events raised £1,442,215 and voluntary donations, legacies and funeral collections contributed £1,468,718.

Our main events included the Ladies Midnight Walk (with 1300 participants), the Ben Nevis events, Annual Ladies Dinner, Annual Ball and Light Up a Life (LUAL) all proved extremely profitable for us, despite bad weather leading to the cancellation for the first time of the LUAL service.

Charity Shops have proved an effective source of income once more, and with the refurbishment programme and the expansion of shops in 2011/12 we look forward with confidence in this sector of our operations.

FINANCIAL REVIEW

Reserves policy

The aim of the Hospice is to achieve 12 months of free reserves. At the end of 2010/11 we stand in the healthy position of having 9 months reserves.

The Trustees, through the newly established Finance and Resources Committee, will keep this position constantly under review. We will seek to develop strategies for fundraising, our estate, and for our clinical services that will strengthen the position of the Hospice to withstand the uncertainties of the current economic climate.

Principal funding sources

Our grant funding from NHS Lanarkshire is managed on a 3 year cycle and the grant agreement for 2011/14 is currently being drawn up on the basis of 50% agreed costs. However, it is expected that we will have to meet a target of £25,000 a year for the next 3 years for Cash Releasing Efficiency Savings (CRES). This equates approx. to 0.5% of our total running costs. We are looking to find efficiencies within our current operations to achieve this target and protect the current standards and range of clinical services that we provide.

Our other funding sources are through events, support from local businesses, retail activities, school partnerships and legacies. Current economic conditions mean that finance from all these sources is more of a challenge. However, in the year, the results of our fundraising activities have been remarkably consistent and successful.

FUTURE DEVELOPMENTS

Facilities

With the largest part of our estate now being 25 years old, we are producing a plan for refurbishment and redesign for the inpatient areas and the service area at the rear of the building. A more pressing project will be to replace the existing televisions in the 4 bed room. In addition we aim to improve the single room facilities on St Margaret's Ward, and undertake a refurbishment of the Chapel.

Care Provision

We aim to seek funding sources to develop services in people's homes through the use of nurses, AHPs, complementary therapists and volunteers.

We aim to explore options of closer links with Care Homes to develop palliative care places that receive support from our specialist staff.

We aim to seek to promote links with sections of the community that currently are very low users of our services, particularly members of Lanarkshire's ethnic minorities.

Liaison with other agencies

We will continue to build links with other agencies in the statutory and voluntary sector to improve services for people with palliative care needs, and to promote greater choice for their desired place for end of life care.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2011**

FUTURE DEVELOPMENTS (continued)

Fundraising

We will constantly look to refresh our Events Calendar, and seek imaginative new projects to raise money.

We will continue to develop our retail sector and establish shops in all the larger towns of North and South Lanarkshire. Whilst reviewing and improving the retail function on the Hospice site.

In addition we will also seek to build on our successful schools partnerships and our lottery.

Finance

We will ensure that policies relating to Human Resources are reviewed and updated, monthly accounts incorporating budgets are submitted to the Finance and Resources Committee, funds are invested in accordance with the direction of the same committee and capital commitments and projects are approved at capital projects meetings.

Support Services and Education

The new client contract will be under review using the CORE evaluation system.

In education, we continue to develop a programme of skills training for NHS staff under the national "Breaking the Great Taboo" strategy. We will review training for Care Home staff, and seek to provide appropriate programmes for this sector.

Patient and Public Liaison

Contacts are being followed up with the Muslim and Chinese communities in Lanarkshire to raise awareness of the work of St Andrew's.

We want to build up systems of feedback from patients and families, and will implement the SKIPP system for inpatient areas that was developed at St Christopher's Hospice. We will also follow up families after 6 months who do not attend the bereavement service at this time.

ST ANDREW'S HOSPICE (LANARKSHIRE)

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2011**

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of St Andrew's Hospice (Lanarkshire) for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which 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.

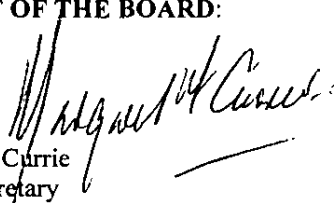
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each trustee has taken all the steps that they ought to have taken as a trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

AUDITORS

The auditors, Hardie Caldwell LLP, will be proposed for appointment and re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:


Rev Margaret Currie
Company Secretary

2 September 2011

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ST ANDREW'S HOSPICE (LANARKSHIRE)

We have audited the financial statements of St Andrew's Hospice (Lanarkshire) for the year ended 31 March 2011 on pages eleven to twenty one. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company'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 Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

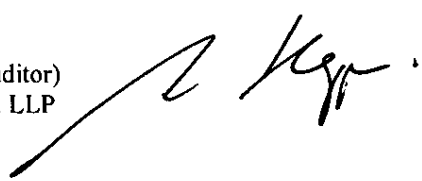
In our opinion the information given in the Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

Marion Hopper (Senior Statutory Auditor)
for and on behalf of Hardie Caldwell LLP
Registered Auditors
Chartered Accountants
Citypoint 2
25 Tyndrum Street
Glasgow
G4 0JY



Date: 2 September 2011

ST ANDREW'S HOSPICE (LANARKSHIRE)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME & EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
INCOMING RESOURCES					
Incoming resources from generated funds					
Voluntary income	2	1,543,430	-	1,543,430	1,694,707
Activities for generating funds	3	2,516,981	-	2,516,981	2,268,565
Investment income	4	102,062	-	102,062	77,805
Incoming resources from charitable activities					
Charitable Activities	5	<u>2,411,752</u>	<u>-</u>	<u>2,411,752</u>	<u>2,362,149</u>
Total incoming resources		6,574,225	-	6,574,225	6,403,226
RESOURCES EXPENDED					
Costs of generating funds					
Costs of generating voluntary income	6	1,215,487	-	1,215,487	980,158
Charitable activities					
Charitable activities	7	4,859,580	-	4,859,580	4,566,297
Governance costs					
Governance costs	8	17,682	-	17,682	17,096
Depreciation		<u>133,027</u>	<u>-</u>	<u>133,027</u>	<u>135,933</u>
Total resources expended		6,225,776	-	6,225,776	5,699,484
NET INCOMING RESOURCES		348,449	-	348,449	703,742
RECONCILIATION OF FUNDS					
Total funds brought forward		8,999,219	-	8,999,219	8,295,477
TOTAL FUNDS CARRIED FORWARD		<u>9,347,668</u>	<u>-</u>	<u>9,347,668</u>	<u>8,999,219</u>

CONTINUING OPERATIONS

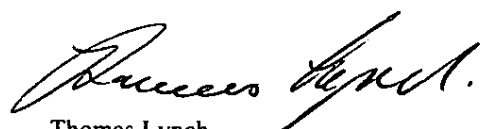
All incoming resources and resources expended arise from continuing activities.

ST ANDREW'S HOSPICE (LANARKSHIRE)

**BALANCE SHEET
AT 31 MARCH 2011**

	Notes	Unrestricted funds £	Restricted funds £	2011 Total funds £	2010 Total funds £
FIXED ASSETS					
Tangible assets	12	4,797,616	-	4,797,616	4,889,233
CURRENT ASSETS					
Debtors: amounts falling due within one year	13	276,301	-	276,301	250,529
Cash at bank and in hand		<u>4,934,747</u>	<u>-</u>	<u>4,934,747</u>	<u>4,442,050</u>
		5,211,048	-	5,211,048	4,692,579
CREDITORS					
Amounts falling due within one year	14	(555,996)	-	(555,996)	(327,593)
NET CURRENT ASSETS		<u>4,655,052</u>	<u>-</u>	<u>4,655,052</u>	<u>4,364,986</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		9,452,668	-	9,452,668	9,254,219
CREDITORS					
Amounts falling due after more than one year	15	(105,000)	-	(105,000)	(255,000)
NET ASSETS		<u>9,347,668</u>	<u>-</u>	<u>9,347,668</u>	<u>8,999,219</u>
FUNDS	18				
Unrestricted funds				9,347,668	8,999,219
Restricted funds				<u>-</u>	<u>-</u>
TOTAL FUNDS				<u>9,347,668</u>	<u>8,999,219</u>

The financial statements were approved by the Board of Trustees on 2 September 2011 and were signed on its behalf by:


Thomas Lynch
Trustee


Geoffrey Sage
Trustee

The notes form part of these financial statements

ST ANDREW'S HOSPICE (LANARKSHIRE)

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011**

		2011 £	2010 £
Net cash inflow from operating activities	Notes 1	499,798	317,626
Returns on investments and servicing of finance	2	74,312	51,449
Capital expenditure and financial investment	2	(41,413)	(84,824)
		<u>532,697</u>	<u>284,251</u>
Financing	2	(40,000)	270,000
		<u>492,697</u>	<u>554,251</u>
Increase in cash in the period		<u>492,697</u>	<u>554,251</u>
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		492,697	554,251
Cash (outflow)/inflow from (decrease)/increase in debt and lease financing		<u>40,000</u>	<u>(270,000)</u>
Change in net debt resulting from cash flows		<u>532,697</u>	<u>284,251</u>
Movement in net debt in the period		532,697	284,251
Net debt at 1 April		<u>4,172,050</u>	<u>3,887,799</u>
Net debt at 31 March		<u>4,704,747</u>	<u>4,172,050</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2011**

1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2011 £	2010 £
Net incoming resources	348,449	703,742
Depreciation charges	133,027	135,933
Interest received	(74,312)	(51,449)
Increase in debtors	(25,772)	(147,056)
Increase/(decrease) in creditors	118,406	(323,544)
Net cash inflow from operating activities	<u>499,798</u>	<u>317,626</u>

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2011 £	2010 £
Returns on investments and servicing of finance		
Interest received	<u>74,312</u>	<u>51,449</u>
Net cash inflow for returns on investments and servicing of finance	<u>74,312</u>	<u>51,449</u>
 Capital expenditure and financial investment		
Purchase of tangible fixed assets	<u>(41,413)</u>	<u>(84,824)</u>
Net cash outflow for capital expenditure and financial investment	<u>(41,413)</u>	<u>(84,824)</u>
 Financing		
New loans in year	-	300,000
Loan repayments in year	<u>(40,000)</u>	<u>(30,000)</u>
Net cash (outflow)/inflow from financing	<u>(40,000)</u>	<u>270,000</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.10 £	Cash flow £	Other non-cash changes £	At 31.3.11 £
Net cash:				
Cash at bank and in hand	4,442,050	492,697		4,934,747
 Debt:				
Debts falling due within one year	(135,000)	40,000	(135,000)	(230,000)
Debts falling due after one year	<u>(135,000)</u>	<u>-</u>	135,000	<u>-</u>
	<u>(270,000)</u>	<u>40,000</u>		<u>(230,000)</u>
 Total	<u>4,172,050</u>	<u>532,697</u>	<u>-</u>	<u>4,704,747</u>

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

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention, the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

Incoming resources

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

Income received which relates to a future period is classified as deferred income in the balance sheet.

The company is VAT registered and is able to reclaim input VAT under the partial exemption scheme. Income and expenditure are shown inclusive of VAT with the VAT refund received being separately recorded as income.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Cost of generating funds

Costs associated with attracting voluntary income include costs of holding fundraising events, costs of running the lottery, including prizes, and costs associated with the charity shops. Salary costs relating to fundraising are allocated on a direct basis.

Charitable activities

This relates to costs incurred by the charity in the delivery of its activities and services for its beneficiaries. These costs include both nursing and care of patients, the household costs of running a hospice, the administration and management service and general property and related running costs. Salary costs are allocated to this heading on a direct basis.

Governance costs

Costs associated with meeting the constitutional and statutory requirements of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Fixtures and fittings	- 20% on reducing balance
Motor Vehicles	- 25% on reducing balance

Depreciation on freehold property was increased to 2% on cost from 1st April 2009 having previously been calculated at 1% on cost. The new depreciation rate represents a reasonable reflection on the economic life of the assets.

Taxation

The charity is exempt from corporation tax on its charitable activities.

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011

1. ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Deferred Grants

The grant is being amortised evenly over 20 years.

2. VOLUNTARY INCOME

	2011	2010
	£	£
Donations	1,468,718	1,578,639
Gift aid	74,712	116,068
	<u>1,543,430</u>	<u>1,694,707</u>

3. ACTIVITIES FOR GENERATING FUNDS

	2011	2010
	£	£
Fundraising events	1,442,215	1,289,166
Shop income	559,126	462,614
Lottery	386,171	359,945
Café	82,399	98,516
VAT refund	17,655	16,417
Education income	29,415	41,907
	<u>2,516,981</u>	<u>2,268,565</u>

4. INVESTMENT INCOME

	2011	2010
	£	£
Rents received	27,750	26,356
Deposit account interest	74,312	51,449
	<u>102,062</u>	<u>77,805</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Activity	2011 £	2010 £
Deferred credit release	Charitable Activities	15,000	15,000
Lanarkshire Health Board			
Grant	Charitable Activities	<u>2,396,752</u>	<u>2,347,149</u>
		<u>2,411,752</u>	<u>2,362,149</u>

Grants received, included in the above, are as follows:

	2011 £	2010 £
Other grants	<u>2,396,752</u>	<u>2,347,149</u>

6. COSTS OF GENERATING VOLUNTARY INCOME

	2011 £	2010 £
Staff costs	421,771	387,843
Café	50,201	45,090
Fundraising costs	391,000	258,433
Shop expenses	254,905	178,626
Lottery costs and prizes	<u>97,610</u>	<u>110,166</u>
	<u>1,215,487</u>	<u>980,158</u>

7. CHARITABLE ACTIVITIES COSTS

	2011 £	2010 £
Staff & consultant costs	4,103,217	3,881,589
Non payroll clinical costs	254,266	265,712
Premises costs	456,232	381,957
Other costs	<u>45,865</u>	<u>37,039</u>
	<u>4,859,580</u>	<u>4,566,297</u>

8. GOVERNANCE COSTS

	2011 £	2010 £
Staff costs	10,000	5,000
Accountancy	-	4,641
Auditors' remuneration	<u>7,682</u>	<u>7,455</u>
	<u>17,682</u>	<u>17,096</u>

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**9. NET INCOMING/(OUTGOING) RESOURCES**

Net resources are stated after charging/ (crediting):

	2011	2010
	£	£
Auditors' remuneration	7,682	7,455
Depreciation - owned assets	<u>133,027</u>	<u>135,933</u>

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2011 nor for the year ended 31 March 2010.

Remuneration is either paid, or deducted from the Grant received from Lanarkshire Health Board, to four of the trustees in respect of their services as Chief Executive, Medical Director, Medical Consultant and Director of Patient & Public Liaison. No remuneration is paid in respect of their services as a trustee (see note 20).

Trustees' Expenses

There were no trustees' expenses paid for the year ended 31 March 2011 nor for the year ended 31 March 2010.

11. STAFF COSTS

	2011	2010
	£	£
Wages and salaries	3,556,873	3,326,398
Social security costs	307,000	283,578
Other pension costs	<u>152,927</u>	<u>146,184</u>
	<u>4,016,800</u>	<u>3,756,160</u>

The average monthly number of employees during the year was as follows:

	2011	2010
Administration	14	14
Fundraising	19	17
Household & Maintenance	21	22
Medical & Nursing	<u>97</u>	<u>92</u>
	<u>151</u>	<u>145</u>

There were no employees with earnings in the bracket £60,000 - £70,000 (2010: 1).

ST ANDREW'S HOSPICE (LANARKSHIRE)

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011

12. TANGIBLE FIXED ASSETS

	Freehold property	Fixtures and fittings	Motor vehicles	Totals
	£	£	£	£
COST				
At 1 April 2010	5,369,772	357,376	110,203	5,837,351
Additions	<u>35,418</u>	<u>5,995</u>	<u>-</u>	<u>41,413</u>
At 31 March 2011	<u>5,405,190</u>	<u>363,371</u>	<u>110,203</u>	<u>5,878,764</u>
DEPRECIATION				
At 1 April 2010	601,671	245,815	100,635	948,121
Charge for year	<u>107,525</u>	<u>23,110</u>	<u>2,392</u>	<u>133,027</u>
At 31 March 2011	<u>709,196</u>	<u>268,925</u>	<u>103,027</u>	<u>1,081,148</u>
NET BOOK VALUE				
At 31 March 2011	<u>4,695,994</u>	<u>94,446</u>	<u>7,176</u>	<u>4,797,616</u>
At 31 March 2010	<u>4,768,101</u>	<u>111,561</u>	<u>9,568</u>	<u>4,889,230</u>

13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Trade debtors	4,545	26,356
Sundry debtors	169,149	79,100
VAT	6,863	6,266
Prepayments and accrued income	<u>95,744</u>	<u>138,807</u>
	<u>276,301</u>	<u>250,529</u>

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2011	2010
	£	£
Other loans (see note 16)	230,000	135,000
Trade creditors	69,207	1,244
Other creditors	35,943	21,668
Deferred income	183,503	75,913
Accrued expenses	<u>37,343</u>	<u>93,768</u>
	<u>555,996</u>	<u>327,593</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**

15. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2011 £	2010 £
Other loans (see note 16)	-	135,000
Deferred government grants	<u>105,000</u>	<u>120,000</u>
	<u>105,000</u>	<u>255,000</u>

16. LOANS

An analysis of the maturity of loans is given below:

	2011 £	2010 £
Amounts falling due within one year on demand:		
Other loans	<u>230,000</u>	<u>135,000</u>
Amounts falling between one and two years:		
Other loans - 1-2 years	<u>-</u>	<u>135,000</u>

17. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Land and buildings	
	2011 £	2010 £
Expiring:		
Within one year	36,600	-
Between one and five years	131,120	151,720
In more than five years	<u>-</u>	<u>16,000</u>
	<u>167,720</u>	<u>167,720</u>

18. MOVEMENT IN FUNDS

	At 1.4.10 £	Net movement in funds £	Transfers between funds £	At 31.3.11 £
Unrestricted funds				
General fund	8,907,069	348,449	1,900	9,257,418
Donations towards freehold property	<u>92,150</u>	<u>-</u>	<u>(1,900)</u>	<u>90,250</u>
	<u>8,999,219</u>	<u>348,449</u>	<u>-</u>	<u>9,347,668</u>
TOTAL FUNDS	<u>8,999,219</u>	<u>348,449</u>	<u>-</u>	<u>9,347,668</u>

ST ANDREW'S HOSPICE (LANARKSHIRE)

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
FOR THE YEAR ENDED 31 MARCH 2011**

18. MOVEMENT IN FUNDS - continued

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,574,225	(6,225,776)	348,449
	<u>6,574,225</u>	<u>(6,225,776)</u>	<u>348,449</u>
TOTAL FUNDS	<u>6,574,225</u>	<u>(6,225,776)</u>	<u>348,449</u>

19. CAPITAL COMMITMENTS

	2011 £	2010 £
Contracted but not provided for in the financial statements	<u>18,275</u>	<u>-</u>

20. RELATED PARTY DISCLOSURES

The members of the charity are representatives of the Order of the Religious Sisters of Charity. Salary costs include £21,600 (2010: £21,600) which was paid to the Order in respect of the provision of an employee. In addition, £9,530 was paid to the Order in respect of Sister Catherine Egan, Director of Patient & Public Liaison and Trustee of the charity in respect of her senior management role.

While no remuneration was paid to any trustee in respect of their duties as trustee, a salary of £8,583 (2010: £67,322) was paid to Mr T Gault in respect of his services as Chief Executive until 22 June 2010 and £50,815 (2010: £nil) was paid to Mr G Sage in respect of his services as Chief Executive after this date.

The trustees, Dr Canning and Dr Sugden provide director/consultancy services to the charity through their employment with Lanarkshire Health Board.

Two of the trustees provided services to the Hospice during the year. The amounts, included in consultancy expenses, are as follows:

Dr G P Canning	£7,274 (2010: £7,134)
Mr T Dunne	£23,794 (2010: £22,137)
	(amounts charged by WDM Associates being a business in which Mr Dunne is a partner)

In addition, accountancy fees include £nil (2010: £4,641) charged by WDM Associates.

21. STANDARD SECURITY

The Big Lottery hold a first ranking Standard Security and North Lanarkshire Council hold a second ranking Standard Security (to the value of £70,000) over the land on which the Hospice has been constructed.