



THE MYTON HOSPICES
(a company Limited by Guarantee)

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2014

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

The Trustees of The Myton Hospices present their Directors' Report and their Trustees' Strategic Report, which together comprise the Trustees Annual Report, and the consolidated financial statements for the Charity for the year ended 31 March 2014 as required under the Charities Act 2011 and the Companies Act 2006.

DIRECTORS' REPORT

1. Reference and Administrative Details

Charity Name:	THE MYTON HOSPICES	
Charity Registration Number:	516287	
Company Registration Number:	1628455	
Principal and Registered Office:	Myton Lane Warwick CV34 6PX	
Directors and Trustees	Mr A D Meehan (Chairman) Mr N C Hunter OBE (Vice Chairman) Dr R Girvan Mr M J Lodge Mr D J Moon Mr R H Q B Moon Mr K Olah Mrs S A Shelton Mrs A M Trye Appointed 18 th September 2013 " " " " " " Resigned 18 th September 2013 " " Resigned 20 th November 2013 Mr K W Demian Mrs M Morris Professor M Radford Mr P D Taylor Mr T C I McKenzie (V ice Chairman) Mr M Attwood Mr A J Brown	
Senior Management Team:	Mrs C Lee Ms M Emery Mrs R Freeman Mrs G Gimes Dr C Tallon Mr T Wooding	Chief Executive Director of Nursing & Care Services Director of Income Generation & Marketing Director of Finance & Business Support Medical Director Director of Facilities (resigned 10/06/2013)
Auditors:	Crowe Clark Whitehill LLP	
Bankers:	Lloyds Bank Plc	
Solicitor:	D J Dumbleton Esq Rotherham & Co. 8 & 9 The Quadrant Coventry CV1 2EG	
Investment managers:	Barclays Wealth Management 1 Colmore Square Birmingham B4 6ES	

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

2. Structure, Governance and Management

2.1 Governing Document

The charity is a Company Limited by Guarantee, registered in England. The Company was formerly known as Myton Hamlet Hospice Management Ltd, with a change of name being approved by Companies House on 24th March 2009. The Company operates under a Memorandum and Articles, amendments to which were approved by the Trustees on 25th February 2009.

2.2 Group Structure

On 1st April 2009 the assets and liabilities of Myton Hamlet Hospice Trust (registered charity No 508768) were transferred to the charity. Subsequently, the two charities were united under a uniting direction granted by the Charities Commission on 8th December 2009.

Myton Hospice (Promotions) Limited

The issued share capital of this company is held by the charity. This company was formed to generate income through Hospice Shops and the Hospice Lottery. The charity purchased additional shares in the company in March 2013.

Myton Hamlet Hospice Development Limited

The issued share capital of this company is also held by the charity. This company was formed for the purpose of building and developing new premises for the use of The Myton Hospices.

2.3 Recruitment and Appointment of Directors and Trustees

The Directors of the Company also act as trustees of the Charity.

When a Director retires every effort is made to replace him/her with a person of similar qualities & experience. There is an open recruitment & selection process for all Director vacancies, with the exception of the medical representatives who may be co-opted to the Board. Director vacancies are advertised externally, although suitable candidates known to current Directors and others may be encouraged to apply but not be given preferential treatment. Applications are reviewed by a Nominations Committee, comprising three Directors, who produce a short list of candidates for consideration at the next Board meeting. Directors are appointed by a majority decision of the Board.

Directors are appointed for an initial period of 4 years, after which they may apply for re-election to serve a second period of 4 years. They must then stand down, but may be nominated for re-election following a gap of 12 months if there is a vacancy. The Directors appoint a chairman from within their number, who can serve two periods of three years. If his/her Directorship expires during his/her period of chairmanship then the Directorship is automatically extended until the termination date of chairmanship.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

2. Structure, Governance and Management (continued)

2.4 Induction and Training

Directors undergo formal induction by spending two half days in the Hospices and meeting individually with all Senior Managers and appropriate department heads. Additionally, they are encouraged to spend time in the Inpatient unit and one of the Day Hospices. Directors are encouraged to attend appropriate external training events where these will assist them in their role.

2.5 Organisation

The Board of Directors administers the charity. The Board meets at least six times per year, but any Director can call an extraordinary meeting by following due process. A Chief Executive is appointed by the Board to manage the day to day operations of the charity.

2.6 Related parties

As mentioned in 2.2 above, the charity is supported by a subsidiary promotional company, which raises money via its retail outlets and lottery to support the main objectives of the Hospice. Charitable Trusts, support groups and individuals also raise money for the Hospice via charity events, individual donations and legacies.

3. Our staff

The Hospice encourages the employment of disabled persons whenever practical. In compliance with current legislation the Hospice endeavours to ensure that the disabled employees benefit from training and career development in common with other employees.

The Hospice is committed to an equal opportunities approach in everything it does. This means that we seek to ensure anyone connected with Myton, from patients and families through to donors, supporters, volunteers and staff, are treated fairly, appropriately and with dignity and respect. From our day to day activities to our strategic decision-making we consider how the ways we work may affect different groups and actively eliminate or reduce negative impact and discrimination.

We are proactive in gaining feedback from the widest possible group of stakeholders and constantly strive to engage with as wide a range of people as possible in all aspects of Myton enabling us to develop in a way which builds our organisation learning, understanding and responsiveness to all.

4. Statement as to Disclosure of Information to Auditors

The trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

STRATEGIC REPORT

1. Public Benefit

The Trustees have complied with the duty in the Charities Act 2011, to have due regard to public benefit guidance published by the Charity Commission. The objectives of the Hospice are to provide specialist palliative and end of life care for the people of Coventry and Warwickshire, their families and carers at no cost to the beneficiaries of the service. Referrals are accepted from a variety of sources and places allocated according to clinical need.

Care is currently delivered in the following ways:

- 20 bedded inpatient unit at Warwick Myton Hospice
- 10 bedded inpatient unit at Coventry Myton Hospice
- 15 place Day Hospice at Warwick Myton
- 12 place Day Hospice, operating 3 days per week, at Coventry Myton
- 15 place Day Hospice based at Rugby Myton
- 24/7 Hospice at Home team covering the Rugby, Warwick & Leamington Spa areas
- Counselling Service operating across all 3 sites
- Lymphoedema Service, mainly for those with secondary disease due to cancer living within Warwickshire. The service is based at Warwick Myton, but offers outpatient services to all.
- Complementary Therapy service operating across all three sites for patients.
- Physiotherapy, Occupational Therapy and Diversional Therapy services, including outpatient services, operating across all three sites.
- Psychological & spiritual support operating across all three sites.

2. Achievements and Performance

The accounts for the year, before taking into account depreciation, asset disposals and investment movements, show a surplus of £1,254,144. This good performance, driven by robust fundraising in a difficult climate, cost savings and higher than anticipated legacy income, has allowed us to Designate £750,000 from the surplus to seed fund an expansion in our services over the next 3 years. These results also take into account the extension of the Myton at Home service into Warwick & Leamington, a service which has been completed funded out of our voluntary funds, unlike the service in Rugby which is partly funded by Rugby & Coventry NHS CCG. Details of the planned usage of the new Designated Fund are outlined in note 11.

The expansion of our Myton at Home service has allowed us to focus our efforts onto providing services for our patients, where possible, in their preferred place of care. This may be within our in patient units for symptom control, end of life care and respite or within our day hospices for social, psychological and respite care, with both of these services complemented by the work of our physio, occupational, complementary and art therapy teams, the clinical psychology service and our spiritual care team. In addition, the lymphoedema, physiotherapy, occupational therapy and clinical psychology teams offer outpatient clinics and home visits as well as their patient sessions within the hospices. The Myton at Home service, in both Rugby, Warwick & Leamington allows us to care for patients at the end of life in their own homes if that is what they preferred.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

2. Achievements and Performance (continued)

Our bereavement counselling service works with patients and their families both before and after death, operating an adult service for one to one and group support, together with Rainbow Ripples, our children's one to one service, and the Rainbow Ripples and MyTeens workshops at both Warwick & Coventry working with children and their parents.

We have also strengthened our education services during the year, offering QELCA (Quality End of Life Care for All) education for senior ward staff from hospitals in Coventry & North Warwickshire, a programme which is being extended to South Warwickshire hospital staff in 2014/15. In addition, we are committed to a programme of Leadership Development throughout the organisation, running a focused programme for our Senior Leadership Team and their Deputies, together with more specific training for our Heads of Department. Both of these programmes will continue to run into the new year and are indicative of the organisation's wish to develop & support staff members.

We were delighted to be awarded two grants from the NHS England capital grants programme during the year. The first, of £440,000, has allowed us to build a new Relatives' Overnight Suite at Warwick Myton hospice, comprising two en suite double bedrooms with sitting areas and balconies, enabling family members to stay close to their relatives. The space previously used for this purpose will be converted into additional counselling space. The second grant, of £90,168, provided for a complete refurbishment of Rugby Myton hospice, including a new kitchen, furnishings and carpeting throughout and also much needed IT equipment allowing the Myton at Home team to retain access while out on their visits. We have also, from our own funds, carried out some major works at Warwick Myton hospice, including the refurbishment of the Sanctuary and enlarging the nurses' office area and workspace.

In our plans for 2013/14 we said that we would:

1. Implement the results of the day hospice review by introducing shorter, more flexible sessions, specific days for carers and more condition focussed sessions such as the heart failure groups and MND clinics &
2. Restructure the community services management with an Assistant Director of Nursing over all the hospice at home, community, outpatient and day hospice services
 - The restructure of the community services took longer than anticipated, with an Assistant Director of Nursing being appointed in February 2014. In the meantime the work on the day hospice review continued, creating 1 day per week at each hospice for 'non-traditional' day hospice sessions, including an MND clinic and sessions for heart failure patients.
3. Expand the hospice at home service to cover Warwick & Leamington, and introduce the volunteer sitting services in Rugby, Warwick & Leamington.
 - The Myton at Home service covering Warwick & Leamington commenced in October and to the end of March 2014 had cared for 38 patients in their homes
4. Plan for an extended educational offer, including working with UHCW to train ward staff in high quality palliative care.
 - We have provided QELCA training for 19 Ward Sisters from both University Hospital Coventry & Warwickshire and George Eliot Hospital in North Warwickshire. As part of the training the hospital staff work alongside our senior nurses in the in patient units to get a better understanding of best practice in end of life care.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

2. Achievements and Performance (continued)

5. Strengthen leadership skills and confidence across our organisation and improve basic management training
 - The Senior Leadership Team & their Deputies have undergone a comprehensive Leadership Development programme over the last 12 months and a middle management programme has run concurrently for the Heads of Department. In addition we have offered various in house management training options to all levels of staff, particularly the Deputy Sisters and Team Leaders appointed following the nursing management review for whom this is their first taste of a management role. As well as dealing with HR and staff management issues our in house courses have tackled a variety of topics, from Risk Management to Effective Presentations.
6. Complete a review of our compensation and benefits and introduce a new system of pay awards.
 - Working in conjunction with an external consultant, we have introduced a new pay & benefits scheme for all our staff, based on a system of job evaluations and market reviews. The new system was introduced on 1st April 2014. We also made changes to the benefits offered to our staff, including increasing annual leave entitlement and more flexible pension contributions
7. Review our volunteer policy and look at innovative ways of involving more volunteers in our work.
 - The revised policy was approved by the Board in January 2014 and work commenced on a Volunteer Handbook to clarify the changes made. We have considerably expended our short term volunteer workforce, working particularly with the local student populations and local businesses to recruit groups of volunteers for specific projects and fundraising events. We have also encouraged short term volunteering where people support us for specific pieces of work, such as developing KPIs, financial analysis and bid support.

In addition we have:

- Been successful in bidding for a Practic Development Team pilot with NHS South Warwick CCG, which will involve providing end of life care education to all GP practices and Nursing homes in the South Warwick area over the next 18 months.
- Commenced a 'Really Radical Review' of our spiritual care service
- Strengthened the management of our therapies team with the introduction of a Physiotherapy & Occupational Therapy Team Lead role
- Opened two new shops, Bridge Street in Nuneaton and Tile Hill in Coventry
- Increased our lottery membership to 36,417 players.
- Undergone 3 succesful CQC inspections, one at each of our sites.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

3. Financial Review

3.1 Accounting basis

The accounts for the year have been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities (SORP 2005) and comply with all statutory requirements and the Charity's governing instrument. The accounts consolidate the results of the Trust and its two subsidiary companies.

3.2 Income, expenditure and results

The Hospice's principal sources of income are donations, gifts and legacies. Voluntary income through donations and grants this year totalled £2,582,219 (2013: £2,196,843) including £480,204 from NHS England for the capital grants and £49,287 representing other donations for specific purposes. Legacy income increased by 73% over the previous year at £1,956,168 (2013: £1,130,277). Fundraising costs were £776,072 (2013: £747,800) reflecting our vital continuing investment in fundraising activities.

Contributions from NHS Clinical Commissioning Groups (CCGs) amounted to £2,226,242 (2013: £2,216,090) equating to 33% of the costs of operating the Hospice activities which this year amounted to £6,760,450 (2013: £6,770,614) a slight decrease on the previous year. These costs include £33,364 for the Myton @ Home service in Warwick & Leamington from October onwards which is supported entirely by voluntary income.

Retail income includes income received through the Gift Aid scheme for the sale of donated goods of £424,345 (2013: £405,448). The value of tax repaid by HMRC under the Gift Aid scheme on these sales amounted to £109,367 (2013: £101,362) which is included as Voluntary Income in the Statement of Financial Activities. The Hospice trading subsidiary, Myton Hospice (Promotions) Limited contributed £1,088,223 (2013: £1,242,958) from the sale of other donated goods, Christmas cards and branded merchandise through Hospice shops and the Lottery. This is slightly down on last year, as there has been significant investment in lottery recruitment through an external company in the year, which will anticipated will result in higher lottery income in forthcoming years.

Investment income amounted to £ 80,095 (2013: £79,500) whilst investment management fees were £13,220 (2013: £7,333). Realised and unrealised gains on investment assets totalled £69,422 (2013: £148,634).

At the year end, the total funds of the charity stood at £13,801,269 (2013: £12,939,305), Restricted Funds totalled £ 143,074 (2013: £201,846), Designated Funds, which include a transfer of £750,00 from General Funds in the year, £13,088,849 (2013: £12,096,013) and General Funds £ 569,346 (2013: £641,446).

The assets representing each of these funds are analysed in Note 12 to the financial statements.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

3. Financial Review (continued)

3.3 Investment policy and performance

In 2000/2001, the Trustees designated £2million to an investment fund with the objective of providing an on going investment return to be used towards funding future operations. The Trustees aim to maintain a balanced portfolio of reliable income producing assets combined with capital growth in the longer term.

Following advice from the charity's investment managers, funds are invested in a portfolio of gilts, fixed investment bonds, UK and overseas equities. The investments are reviewed annually with the investment managers and monitored monthly by a sub-committee of the Board. At the year end, the value of the investment portfolio was £ 2,763,489 (2013: £2,710,100).

3.4 Reserves Policy

The free reserves of the group at the year-end, inclusive of Designated funds and funds held on investment, stood at £ 4,082,835 (2013: £3,351,546) The Trustees feel that the current level of reserves is sufficient to both cushion any short term impact of a drop in voluntary or NHS funding and meet their commitment to provide investment funding for an expansion of our services.

4. Risk Management

The Hospice has a Risk Management strategy, which is reviewed annually by the Board with exceptions reported throughout the year at Board meetings. It is also reviewed by our regulatory body the Care Quality Commission. We have established systems and procedures to mitigate those risks identified. We continually review our risk management within the clinical areas to ensure that identified risks are addressed and the learning is continuous. Running parallel with the Clinical Governance Structure, which ensures high quality patient care, a Risk Management Review is undertaken annually to ensure financial and corporate probity.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

5. Plans for Future Periods

The organisation's strategy identified 7 priorities. These were:

1. To maintain and improve the quality of our current services
2. To improve patient choice by introducing a range of new patient centred services
3. To build a palliative care education specialism
4. To strengthen our communications
5. To protect and build our income
6. Our staff & volunteers
7. The health of our organisation

In the next twelve months, against these priorities, we intend to :

- Carry out the Practice Development Team pilot for South Warwickshire, including implementing an out of hours community palliative care service in South Warwickshire as part of our matched funding for the pilot
- Identify possible statutory & voluntary income partners to fund 2 or more new beds in Coventry and implement the bed usage
- Extend the QELCA training to more stakeholders
- Develop our community services, including our day hospice offer, to promote resilience in our users. This will incorporate the 'MyLife' project for people recently diagnosed as palliative.
- Introduce the role of the Practice Facilitator / Education Lead to capitalise on internal learning opportunities
- Increase our user engagement and outcomes based measurements, working towards a framework for commissioning by outcome from the CCGs
- Redesign and implement a new staff appraisal process
- Develop a Major Giving programme

6. Our supporters

Throughout the year, the Hospice has enjoyed the continuing support of our volunteers. We currently have almost 1,000 volunteers who work in all areas of Hospice operations, both with patients and in support and fundraising roles. Our volunteers play an absolutely vital role in the work of the Hospice, representing a value of over £1.2m to the Hospice this year based on paying at minimum wage rate per hour. This figure has not been included in the Statement of Financial Activities.

The Hospice has also continued to receive extensive support from community groups, individuals, charitable trusts and companies within Coventry & Warwickshire.

Without this splendid support, The Myton Hospice could not develop services and provide the high quality of care it now offers. We would like to thank all of our volunteers and donors, both large and small, without whose generosity and hard work we would not be able to achieve what we do.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

7. Conclusion

This has been an extremely positive year for us, with the level of surplus generated allowing Trustees to set aside funds for future developments, achieving our aim of extending the Myton @ Home service to other parts of our area and being awarded a major contract for end of life care education in South Warwickshire. We have maintained levels of voluntary income in a challenging climate and produced efficiencies resulting in cost savings allowing us to continue our traditional services. Our user surveys in the year demonstrate the value of the service we provide, as does the level of support from our volunteers and donors. We move forward into exciting new year, with the foundations of the community services, plans to extend our in patient services and a strong foundation for our education work.

The organisation is committed to the support and development of its staff and volunteers and the Trustees would like to thank all of them for their work during this year. We would also like to thank all our supporters, individuals, organisations and businesses for helping The Myton Hospices to continue its valued work.

THE MYTON HOSPICES

TRUSTEES' ANNUAL REPORT

31 March 2014

The trustees (who are also directors of The Myton Hospices 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 the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles 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 financial statements;
- 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 that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This Annual Report of the Trustees, under the Charities Act 2011 and the Companies Act 2006, was approved by the Board of Trustees on 23rd July 2014 including approving in their capacity as Directors the Trustees' Strategic Report and Directors' report contained therein, and is signed and authorised on its behalf by the Chair of the Board of Trustees.



A D Meehan
Chairman

Myton Lane
WARWICK CV34 6PX

23rd July 2014

THE MYTON HOSPICES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MYTON HOSPICES

We have audited the financial statements of The Myton Hospices for the year ended 31 March 2014 which comprise the Group Statement of Financial Activities, the Group Summary Income and Expenditure Account, the Group and Company Balance Sheets, the Group Cash Flow Statement and the related notes numbered 1 to 15.

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 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 and the 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 auditor

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that 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 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 financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited financial statements 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 financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the charitable company's affairs as at 31 March 2014 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

THE MYTON HOSPICES

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE MYTON HOSPICES (continued)

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate accounting records; or
- the parent charitable company 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.


Helen Drew

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Midlands

Black Country House

Round Green Road

Oldbury

West Midlands B69 2DG

Date: 28 July 2014

THE MYTON HOSPICES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31 March 2014

	Note	Unrestricted funds £	Restricted funds £	Total 2014 £	Total 2013 £
Incoming resources					
Incoming resources from generated funds:					
Voluntary income					
- Donations and grants		2,052,728	529,491	2,582,219	2,196,843
- Legacies		1,956,168	-	1,956,168	1,130,277
Activities for generating funds:					
- Retail income	14	1,835,740	-	1,835,740	1,760,356
- Lottery income	14	1,952,442	-	1,952,442	1,833,374
Investment income	2	80,095	-	80,095	79,500
Incoming resources from charitable activities:					
- NHS grants & contracts for patient care		2,226,242	-	2,226,242	2,216,090
Total incoming resources		10,103,415	529,491	10,632,906	9,216,440
Resources expended					
Costs of generating funds:					
- Fundraising costs		776,072	-	776,072	747,800
- Retail costs	14	1,497,365	-	1,497,365	1,352,508
- Lottery costs	14	780,385	-	780,385	616,323
- Investment management fees		13,220	-	13,220	7,333
Charitable activities:					
- Residential and day care costs		6,678,794	81,656	6,760,450	6,770,614
Governance costs		13,741	-	13,741	9,825
Total resources expended	3	9,759,577	81,656	9,841,233	9,504,403
Net incoming/(outgoing) resources before transfers being net income for the year		343,838	447,835	791,673	(287,963)
Transfer between funds	11	506,607	(506,607)	-	-
Net incoming/(outgoing) resources before other recognised gains and losses		850,445	(58,772)	791,673	(287,963)
Profit on disposal of fixed assets		869	-	869	22,492
Unrealised gains on revaluation of investments	7	69,422	-	69,422	148,634
Net movement in funds		920,736	(58,772)	861,964	(116,837)
Total funds brought forward	11	12,737,459	201,846	12,939,305	13,056,142
Total funds carried forward	11	13,658,195	143,074	13,801,269	12,939,305

The Statement of Financial Activities includes all gains and losses in the year. All incoming resources and resources expended are derived from continuing activities. No separate statement of total recognised gains and losses is required as all gains and losses recognised in the year are included in the consolidated statement of financial activities.

The notes on pages 18 to 32 form part of these financial statements

THE MYTON HOSPICES

BALANCE SHEETS

31 March 2014

Registered Company No. 1628455

	Note	Group		Charity	
		2014 £	2013 £	2014 £	2013 £
Fixed assets					
Tangible assets	6	9,575,360	9,385,913	9,412,871	9,230,710
Investments	7	2,763,489	2,710,100	2,856,212	2,755,454
		<u>12,338,849</u>	<u>12,096,013</u>	<u>12,269,083</u>	<u>11,986,164</u>
Current assets					
Stock	8	55,195	43,968	43,093	31,817
Debtors	9	605,568	474,092	517,675	429,053
Cash at bank and in hand		1,802,135	1,323,625	1,673,505	1,203,060
		<u>2,462,898</u>	<u>1,841,685</u>	<u>2,234,273</u>	<u>1,663,930</u>
Creditors: amounts falling due within one year	10	(1,000,478)	(998,393)	(609,224)	(664,712)
Net current assets		<u>1,462,420</u>	<u>843,292</u>	<u>1,625,049</u>	<u>999,218</u>
Net assets		<u>13,801,269</u>	<u>12,939,305</u>	<u>13,894,132</u>	<u>12,985,382</u>
Income funds					
Restricted funds	11	143,074	201,846	143,074	201,846
Unrestricted funds	11	13,658,195	12,737,459	13,751,058	12,783,536
Total funds	11	<u>13,801,269</u>	<u>12,939,305</u>	<u>13,894,132</u>	<u>12,985,382</u>

The financial statements on pages 14 to 32 were approved by the Board of Trustees, authorised for issue on 23rd July 2014 and are signed on its behalf by:



A D Meehan
Chairman

The notes on pages 18 to 32 form part of these financial statements.

THE MYTON HOSPICES
CONSOLIDATED CASHFLOW STATEMENT
for the year ended 31 March 2014

	£	2014	£	£	2013	£
Reconciliation of changes in resources to net cash inflow/(outflow) from operating activities						
Net incoming/(outgoing) resources		791,673			(287,963)	
Depreciation		462,471			456,048	
Decrease/(increase) in stock		(11,227)			(6,347)	
Decrease/(Increase) in debtors		(131,475)			(148,808)	
(Decrease)/Increase in creditors		2,085			(949,005)	
Interest received		(23,804)			(13,320)	
Dividends received		(56,291)			(66,180)	
Net cash inflow/(outflow) from operating activities			1,033,432			(1,015,575)
Returns on investments and servicing of finance			80,095			79,500
Capital expenditure and financial investment						
Purchase of tangible fixed assets	(652,369)				(143,586)	
Disposal of tangible fixed assets	1,320				27,391	
Net proceeds from purchase and sale of fixed asset investments	16,032				(361,055)	
			(635,017)			(477,250)
(Decrease) / Increase in cash			478,510			(1,413,325)
Cash at 31 March 2013			1,323,625			2,736,950
Cash at 31 March 2014			1,802,135			1,323,625

The notes on pages 18 to 32 form part of these financial statements

THE MYTON HOSPICES

CONSOLIDATED CASHFLOW STATEMENT (continued) for the year ended 31 March 2014

NOTES ON THE CASHFLOW STATEMENT For the year ended 31 March 2014

Returns on investments and servicing of finance		2014 £	2013 £
Interest received		23,804	13,320
Dividends received		56,291	66,180
		<u>80,095</u>	<u>79,500</u>
Analysis of changes in net funds during the year			
	31 March 2013 £	Cashflows £	31 March 2014 £
Cash at bank and in hand	1,323,625	478,510	1,802,135
	<u>1,323,625</u>	<u>478,510</u>	<u>1,802,135</u>

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the inclusion of fixed asset investments at market value and in accordance with the Companies Act 2006 and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" issued in March 2005.

The Statement of Financial Activities and group balance sheet consolidate the financial statements of the charity and its subsidiary undertakings. The results of the subsidiaries are consolidated on a line by line basis.

No separate Statement of Financial Activities or Summary Income and Expenditure account are presented for the parent undertaking as provided by Section 408 of the Companies Act 2006 and paragraph 397 of the SORP. Net movement in funds for the Parent Charity for the year ended 31 March 2014 was £908,750

Fund accounting

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

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes.

Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations, legacies and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant. Income is deferred only when the provider specifies that the grant must be used in future periods.
- Legacies are recognised when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. Where the conditions for recognition are not met, the charity maintains a legacy pipeline. However, as these are not readily quantifiable they are not disclosed in these accounts.
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Clothing and other items donated for resale through the charity's shops are included as incoming resources within activities for generating funds when they are sold.
- Investment income is included when receivable.

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

1 Accounting policies (continued)

Resources expended

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

- Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes including the charity's shops and Lottery.
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly. Remaining support costs are all charged to charitable expenditure since those relating to fundraising and governance are considered immaterial.

Investments

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

Stocks

Stocks of goods for resale are primarily donated to the company and therefore have no value in the accounts. Those purchased by the company are valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less the estimated cost of disposal. Provision is made for obsolete and slow moving items.

Pension costs

Retirement benefits to employees are provided by way of the two pension schemes as set out in Note 4. Contributions to both schemes are charged in the Statement of Financial Activities as they fall due. Differences between contributions payable in the year and contributions actually paid are included within accruals in the balance sheet.

Operating leases

Rentals applicable to operating leases are charged in the Statement of Financial Activities over the period in which the cost is incurred.

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

Tangible fixed assets

Tangible fixed assets are stated at historical cost less accumulated depreciation. Depreciation of fixed assets is charged by annual instalments commencing with the year of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives which are as follows:

Freehold property	20 - 40 years
Long leasehold property	Over period of lease or 50 years whichever is less
Property improvements	3 to 10 years
Furniture, equipment & vehicles	3 to 10 years
Computer and office equipment	3 to 10 years
Shop and office fittings	Over period of lease

Assets in the course of construction are not depreciated.

Assets costing less than £2,000 per individual item are written off in the Statement of Financial Activities in the period of acquisition.

Going Concern

The Trustees have a reasonable expectation that The Myton Hospices has adequate resources to continue in operational existence for the foreseeable future and therefore they adopt the going concern basis of accounting in preparing the financial statements

THE MYTON HOSPICES
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 March 2014

2 Investment income

	2014 £	2013 £
Interest receivable	23,805	13,320
Dividends receivable	56,290	66,180
	<u>80,095</u>	<u>79,500</u>

3 Analysis of total resources expended

	Staff costs £	Support costs £	Direct costs £	Depreciation £	2014 Total £	2013 Total £
Cost of generating funds						
Fundraising costs	601,412	168,659	468	5,533	776,072	747,800
Retail costs	767,078	623,233	57,237	49,817	1,497,365	1,352,508
Lottery costs	204,123	-	576,262	-	780,385	616,323
Investment management fees	-	-	13,220	-	13,220	7,333
	1,572,613	791,892	647,187	55,350	3,067,042	2,723,964
Charitable expenditure						
Costs of activities in Furtherance of the charity's objectives:						
Patient care	5,149,013	551,149	580,793	407,121	6,688,076	6,729,608
Training	-	-	72,374	-	72,374	41,006
	5,149,013	551,149	653,167	407,121	6,760,450	6,770,614
Governance costs						
Audit fees	-	-	9,595	-	9,595	9,100
Trustee recruitment	-	-	2,034	-	2,034	-
Development Co.	-	-	2,112	-	2,112	725
Total resources expended	6,721,626	1,343,041	1,314,095	462,471	9,841,233	9,504,403

THE MYTON HOSPICES
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 March 2014

3 Analysis of total resources expended (continued)

	2014	2013
	£	£
Charitable expenditure:		
Support costs		
Premises costs	84,079	185,698
Travelling and subsistence	59,160	54,917
Office costs	143,218	110,331
Repairs and renewals	185,397	138,170
Legal and professional	42,856	72,828
Staff recruitment	11,442	5,461
Other costs	24,997	25,954
	<hr/>	<hr/>
	551,149	593,359
	<hr/>	<hr/>
Charitable expenditure	2014	2013
Direct costs	£	£
Drugs	238,367	228,807
Medical supplies	122,796	128,512
Cleaning and laundry	56,055	53,933
Catering	82,378	85,994
Small equipment	81,197	43,260
Training	72,374	41,006
	<hr/>	<hr/>
	653,167	581,512
	<hr/>	<hr/>

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

4 Staff costs

	2014 £	2013 £
Wages and salaries	5,619,519	5,481,356
Social security costs	440,582	437,027
Other pension costs	307,851	274,807
Contracted medical staff*	353,674	518,600
	<u>6,721,626</u>	<u>6,711,790</u>

* Certain members of our medical team are employed by the NHS and their time spent working for The Myton Hospices is invoiced to the charity.

	2014 282	2013 270
Average number employed		
Employees earning more than £60,000		
£60,000-£70,000	1	1
£70,001-£80,000	2	3
£80,001-£90,000	3	2
£90,001-£100,000	-	-
£100,001 - £110,000	2	2

Included in the above are pension contributions of £28,560 (2013: £22,263).

The number of higher paid staff accruing retirement benefits was 5 (2013: 4).

	£	£
Trustees' emoluments and expenses	-	-

Pension costs

Staff previously employed by the National Health Service and who were members of the NHS Superannuation Scheme continue to be members of that scheme. The NHS scheme is a defined benefit scheme. This is a multi employer pension scheme based on final pensionable pay, contributions being charged to the SOFA so as to spread the cost of pensions over employees' working lives with the company. Because we are unable to identify our share of the scheme's liabilities and assets on a consistent and reasonable basis, the scheme is accounted for as a defined contribution scheme.

Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.pensions.nhsbsa.nhs.uk.

The employer's contribution to the scheme is 14% (2013 14%) of pensionable pay.

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

Pension costs (continued)

All other staff, other than those who have chosen to opt out or are not eligible under the pension auto enrolment rules, are members of a separate defined contribution pension scheme, the assets of which are held separately from those of the charity in independently administered funds. The employer's contribution to this scheme is between 1% and 7% (2013 7%) of pensionable pay.

The pensions cost charges, representing employer's contributions payable to both schemes, amounted to £307,851 (2013: £274,807). Contributions totalling £47,119 (2013: £13,041) were payable at year end and are included in creditors.

Future contributions are expected to be at a similar level.

The Myton Hospices makes no contribution to any pension scheme on behalf of the Trustees

5	Net (outgoing)/incoming resources	2014 £	2013 £
	Net (outgoing)/incoming resources is stated after charging/(crediting):		
	Auditors' remuneration - Audit		
	- Charity (including irrecoverable VAT)	9,595	9,100
	- Subsidiary undertakings	5,600	5,400
	Auditors' remuneration - other services		
	- charity	-	-
	- subsidiary undertakings	3,460	1,230
		<hr/>	<hr/>
	Depreciation of tangible fixed assets - owned assets	462,471	456,048
		<hr/>	<hr/>
	Operating leases		
	- other	39,395	40,192
	- land and buildings	314,361	287,810
	Profit on disposal of fixed assets	869	22,491
		<hr/>	<hr/>

THE MYTON HOSPICES
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 March 2014

6 Tangible fixed assets

	Freehold property £	Long leasehold property £	Furniture, equipment & vehicles £	Computer & office equipment £	Shop & office fittings £	Total £
GROUP						
Cost						
31 March 2013	3,164,864	7,753,072	828,169	210,593	296,001	12,252,699
Additions	416,541	438	154,932	23,155	57,303	652,369
Disposals	-	-	(650)	(2,810)	-	(3,460)
31 March 2014	3,581,405	7,753,510	982,451	230,938	353,304	12,901,608
Depreciation						
31 March 2013	1,101,611	928,948	552,845	142,384	140,998	2,866,786
Charge for the year	81,905	229,601	72,799	28,349	49,817	462,471
On disposals	-	-	(199)	(2,810)	-	(3,009)
31 March 2014	1,183,516	1,158,549	625,445	167,923	190,815	3,326,248
Net book amount						
31 March 2014	2,397,889	6,594,961	357,006	63,015	162,489	9,575,360
31 March 2013	2,063,253	6,824,124	275,324	68,209	155,003	9,385,913

	Freehold property £	Long leasehold property £	Furniture and equipment £	Computer and office equipment £	Total £
CHARITY					
Cost					
31 March 2013	3,164,864	7,748,072	813,469	208,378	11,934,783
Additions	416,541	438	154,932	21,028	592,939
Disposals	-	-	(21,716)	-	(21,716)
31 March 2014	3,581,405	7,748,510	946,685	229,406	12,506,006
Depreciation					
31 March 2013	1,101,611	923,948	538,145	140,369	2,704,073
Charge for the year	81,905	229,601	72,799	24,007	408,312
Additions	-	-	-	2,015	2,015
Disposals	-	-	(21,265)	-	(21,265)
31 March 2014	1,183,516	1,153,549	589,679	166,391	3,093,135
Net book amount					
31 March 2014	2,397,889	6,594,961	357,006	63,015	9,412,871
31 March 2013	2,063,253	6,824,124	275,324	68,009	9,230,710

At 31 March 2014 the Group had capital commitments of £49,886 (2013: £nil).

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

7 Fixed assets – investments

	2014 £	2013 £
Group and charity		
UK listed investments		
Market value at 1 April	2,642,600	2,132,911
Additions during the year	234,191	564,173
Proceeds from disposals	(250,224)	(203,118)
Net gain on revaluation	69,422	148,634
	<hr/>	<hr/>
Listed investment Market value at 31 March	2,695,989	2,642,600
Investment land	67,500	67,500
	<hr/>	<hr/>
	2,763,489	2,710,100
	<hr/>	<hr/>
Historical cost at 31 March - Unlisted	2,420,555	2,383,470
- Land	67,500	67,500
	<hr/>	<hr/>
	2,488,055	2,450,970
	<hr/>	<hr/>
	2014	2013
	£	£
UK listed investments are represented by:		
Fixed interest securities	244,215	245,349
Equities	591,768	573,445
Investment trusts and similar funds	1,860,006	1,823,806
	<hr/>	<hr/>
	2,695,989	2,642,600
	<hr/>	<hr/>

The investments are held primarily to provide a return for the charity.

The following investments represented more than 5% of the portfolio:

	2014 £	2013 £
Goldman Sachs 3 yr GBP FTSE & S&P	209,174	216,518
Barclays Bank Plc 5Y GBP CAP	331,526	298,046
Barclays Wealth Global Beta	1,192,611	1,167,880
	<hr/>	<hr/>

THE MYTON HOSPICES
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 March 2014

8 Stock

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Consumables	40,025	29,266	40,025	29,266
Goods for resale	15,170	14,702	3,068	2,551
	<u>55,195</u>	<u>43,968</u>	<u>43,093</u>	<u>31,817</u>

9 Debtors

amounts falling due within one year:

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	21,953	8,659	21,872	8,659
Income tax recoverable	20,411	18,384	20,411	18,384
Value added tax recoverable	1,449	25,564	-	25,564
Amount owed by group undertakings	-	-	36,434	103,149
Other debtors	20,977	20,087	4,117	6,512
Prepayments	185,351	173,213	89,156	73,917
Accrued income	355,427	228,185	345,685	192,868
	<u>605,568</u>	<u>474,092</u>	<u>517,675</u>	<u>429,053</u>

10 Creditors

Amounts falling due within one year:

	Group		Charity	
	2014	2013	2014	2013
	£	£	£	£
Trade creditors	337,867	238,862	261,867	167,530
Amount due to group undertakings	-	-	11,866	944
Other taxation and social security	119,772	125,062	119,772	125,061
Other creditors	100,839	27,366	100,839	27,366
VAT payable	25,195	-	25,195	-
Accruals	202,401	422,823	65,452	333,811
Deferred income	214,404	184,280	24,233	10,000
	<u>1,000,478</u>	<u>998,393</u>	<u>609,224</u>	<u>664,712</u>

THE MYTON HOSPICES
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 March 2014

Deferred income	Group		Charity	
	2014 £	2013 £	2014 £	2013 £
Brought forward	184,280	1,048,451	10,000	890,000
Released to Statement of Financial Activities	(174,280)	(1,038,451)	-	(880,000)
Deferred income received in year	204,404	174,280	14,233	-
	<u>214,404</u>	<u>184,280</u>	<u>24,233</u>	<u>10,000</u>
Carried forward	214,404	184,280	24,233	10,000

Deferred income comprises lottery income received in advance by Myton Hospice (Promotions) Limited of £190,171, an NHS IT development grant of £10,000 and NHS contribution towards costs of the Rugby Consultant cover £14,233.

11 Statement of Funds

Group	Brought forward £	Income £	Expenditure £	Investment (losses)/ gains £	Transfers £	Carried Forward £
General funds	641,446	10,047,993	(9,334,162)	-	(785,931)	569,346
Designated funds						
Fixed assets fund	9,385,913	-	(412,195)	-	601,642	9,575,360
Investment fund	2,710,100	56,291	(13,220)	69,422	(59,104)	2,763,489
Service expansion	-	-	-	-	750,000	750,000
	<u>12,737,459</u>	<u>10,104,284</u>	<u>(9,759,577)</u>	<u>69,422</u>	<u>506,607</u>	<u>13,658,195</u>
Total unrestricted funds						
Restricted funds						
NHS England capital grant	-	480,204	-	-	(480,204)	-
Other donations	201,846	49,287	(81,656)	-	(26,403)	143,074
	<u>201,846</u>	<u>529,491</u>	<u>(81,656)</u>	<u>-</u>	<u>(506,607)</u>	<u>143,074</u>
Total restricted funds						
Total funds	<u>12,939,305</u>	<u>10,633,775</u>	<u>(9,841,233)</u>	<u>69,422</u>	<u>-</u>	<u>13,801,269</u>

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

11 Statement of Funds (continued)

Designated funds

Fixed assets fund

A large part of the unrestricted funds of the charity are represented by tangible fixed assets (mainly land and buildings) required for the charity to continue operating. As these assets are considered not normally realisable, the Trustees have designated funds equal to their book value.

Investment fund

In the year ended 31 March 2001, the Trustees set aside £2,000,000 in an investment fund with the aim of providing a regular source of income each year. Gains and losses on the investments held are credited or charged to the fund each year and the year end balance equals the market value of investments held.

Service expansion

The Trustees have designated funds of £750,000 to seed fund a number of new services over the next 3 years. These funds include £220,000 matched funding for the Practice Development Team pilot working with NHS South Warwick CCG, funding a clinical research post and increasing patient numbers at Coventry Myton hospice.

Restricted Funds

Specific Purposes fund

Various donations received for other specific purposes laid down by the donors are carried forward as restricted funds until spent. The majority of the Fund comprises funding for End of Life Care Education, the balance of the BBC Nurse Appeal which will be released against future salary costs for the nurses recruited and funding for an ambulance.

The majority of the transfers between funds represent the amount spent on fixed assets, which, now that the income has been spent in accordance with the donors' wishes, have been transferred to the designated fixed asset fund.

THE MYTON HOSPICES
NOTES ON FINANCIAL STATEMENTS
for the year ended 31 March 2014

12 Analysis of group net assets between funds

	Tangible fixed assets £	Investments £	Net current assets £	Total net assets £
Restricted funds				
Other donations for specific use	-	-	143,074	143,074
	-	-	143,074	143,074
Unrestricted funds				
Designated				
Fixed Asset Fund	9,575,360	-	-	9,575,360
Investment fund	-	2,763,489	-	2,763,489
Service expansion	-	-	750,000	750,000
	9,575,360	2,763,489	750,000	13,088,849
General fund	-	-	569,346	569,346
	9,575,360	2,763,489	1,319,346	13,658,195
Total funds 2014	9,575,360	2,763,489	1,462,420	13,801,269
Total funds 2013	9,385,913	2,710,100	843,292	12,939,305

13 Guarantees and other financial commitments

As at 31st March 2014, the Group had annual commitments under non-cancellable operating leases as follows:

	2014 Land and Buildings £	2014 Other £	2013 Land and buildings £	2013 Other £
Expiring				
Within one year	57,370	16,038	52,290	10,644
Within two to five years	195,550	13,079	126,520	29,118
After five years	97,400	-	120,500	-
	350,320	29,117	299,310	39,762

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

14 Subsidiary companies

The issued share capital of Myton Hospice (Promotions) Limited and Myton Hamlet Hospice Development Limited is held by the Charity. These companies, registered in England, are also therefore considered subsidiary undertakings of the Charity.

The Trust has taken advantage of the exemption not to disclose any transactions with its two subsidiary companies conferred by Financial Reporting Standard No. 8 on the grounds that the companies are 100% owned and their results are included in the consolidated financial statements which are publicly available.

Myton Hospice (Promotions) Limited operates charity shops and a lottery to raise funds for the Charity. The company pays its taxable profits to the Charity by way of Gift Aid. A summary of its trading results is shown below. In addition, the company processed sales of £424,345 (2013: £405,448) relating to donated goods sold under the retail Gift Aid scheme. These figures are included as retail income on the Statement of Financial Activities.

	2014 £	2013 £
Myton Hospice (Promotions) Limited		
Turnover	3,363,837	3,188,282
Cost of sales	(587,127)	(424,613)
Gross profit	2,776,710	2,763,669
Administration expenses	(1,690,623)	(1,544,218)
Investment income	2,136	1,015
Net profit	1,088,223	1,220,466
Profit on disposal of fixed assets	-	22,491
Amount donated to The Myton Hospices	(1,088,223)	(1,242,957)
Deficit retained in subsidiary	-	-
Net assets / liabilities at year end	2	2

THE MYTON HOSPICES

NOTES ON FINANCIAL STATEMENTS

for the year ended 31 March 2014

14 Subsidiary companies (continued)

Myton Hamlet Hospice Development Limited

Myton Hamlet Hospice Development Limited develops and builds properties which are then sold to the Charity. During the year, the company made a profit of £577 (2013: loss £725). The net assets of the company at the year end were £2 (2013: £2).

Audited financial statements for both subsidiary companies are filed with the Registrar of Companies.

The results of all subsidiaries have been consolidated on a line for line basis in the Statement of Financial Activities.

15 Related party transactions

A Trustee, Mr R H Q B Moon, is a partner of Blythe Liggins. The value of the legal services provided by Blythe Liggins during the year was £2,145 (2013: £967). There were no sums outstanding at 31 March 2014 (2013: £nil).

A Trustee, Mr T C I McKenzie is a partner of Wright Hassall LLP. The value of legal services provided by Wright Hassall LLP to Mr McKenzie's resignation on 18 September 2014 was £506 (2013: £1,718). There were no sums outstanding at 31 March 2014 (2013: £nil).

During the year Mr A.D Meehan, Mr D.J Moon and Prof. M Radford have been both Directors of University Hospitals Coventry & Warwickshire NHS Trust (UHCW) and members of the Board of Trustees of The Myton Hospices. The value of services, mainly medical Consultant, pharmacy & occupational health services and supply of utilities to our Coventry & Rugby sites, provided by UHCW for the relevant period was £228,010. There was a balance of £53,205 outstanding at 31 March 2014.

The Trustees are satisfied that the above related party transactions were at arm's length.

