



Established 1894

Angmering Parish Council

The Corner House
The Square
Angmering
West Sussex BN16 4EA

Telephone/Answerphone: 01903 772124
E-mail: admin@angmering-pc.gov.uk
Website: www.angmeringparishcouncil.gov.uk

MINUTES OF THE MEETING OF ANGMERING PARISH COUNCIL HELD IN THE KING SUITE OF THE ANGMERING VILLAGE HALL ON MONDAY 13 MARCH 2017

Present: Councillors Paul Bicknell; Bill Evans; Lee Hamilton-Street; Nikki Hamilton-Street; Norma Harris; Mike Hill-Smith; Mike Jones; David Marsh; Steven Mountain; John Oldfield (Vice-Chairman); Roger Phelon; Peter Thompson.

In Attendance: Rob Martin, Parish Clerk; County Councillor Deborah Urquhart; District Councillor Andy Cooper & 2 members of the public

Action

16/212 APOLOGIES FOR ABSENCE
Apologies for absence had been received from the Chairman (illness), and District Councillor Dudley Wensley.

In the absence of the chairman, the Vice-Chairman took the chair.

16/213 DECLARATIONS OF PECUNIARY OR NON-PECUNIARY INTERESTS IN ITEMS ON THE AGENDA
Councillor Bicknell noted that, in view of his holding office as an Arun District Councillor as well as a Parish Councillor, he would leave the meeting whilst agenda item 9 (Minute 16/232) was being discussed.

All Councillors who held office in the Angmering Community Land Trust declared a non-pecuniary interest in agenda item 19.

16/214 APPROVAL OF THE MINUTES OF THE PARISH COUNCIL MEETING HELD ON 13 FEBRUARY 2017
The minutes of the Parish Council Meeting held on 13 February 2017 were **AGREED** as a correct record and signed by the Vice-Chairman.

16/215 THE CLERK'S REPORT ON MATTERS OUTSTANDING FROM PREVIOUS MEETINGS, BUT NOT INCLUDED ON THIS AGENDA
The Clerk referred to the updated action list previously circulated to members of the Council. There were no further matters that were not on the agenda.

16/216 CHAIRMAN'S REPORT
The Vice-Chairman noted that the Chairman had had no official engagements on which to report since the previous meeting.

The Vice-Chairman adjourned the meeting for public consultation.

16/217 PUBLIC CONSULTATION
There were no questions from the public present.

The meeting reconvened.

16/218

REPORT FROM THE WEST SUSSEX COUNTY COUNCILLOR

County Councillor Urquhart reported that the County Council had had its final meeting before the upcoming elections on 4 May 2017. It would not be long before there would be a period of purdah, during which important decisions would not be made.

The Angmering Traffic Management scheme consultation had now been complete and a large number of responses had been received, both on-line and on paper. It looked likely that a report would have to be considered by JEAAC in July before the final go-ahead could be given, subject to the responses being analysed in the meantime.

16/219

REPORTS FROM THE ARUN DISTRICT COUNCILLORS

District Councillor Wensley had presented his apologies for the meeting.

District Councillor Cooper reported that the District Council had set its budget and precept. He was pleased to report that, despite a challenge, the Leader (Gill Brown) and Deputy Leader (Dudley Wensley) of the District Council were still in place.

The Local Plan Sub Committee (LPSC) had agreed at its meeting on 9 March 2017, the current version of the Plan to be considered by the Full Council on 22 March 2017.

The Vice-Chairman pointed out that the webcast of the LPSC meeting was not watchable on iPads and District Councillor Cooper agreed that there was a problem with this.

Councillor Mountain questioned the powers that the District Council had to challenge the housing numbers which formed the basis of the current plan. He believed that the District Council had no chance of building 18,000 homes over the life of the plan and that one result would be a log-jam on the roads because there were already 39,000 traffic movements a day in and out of the District for working people. District Councillor Cooper agreed that the numbers were challenging.

Councillor Mountain then raised the question of the cancellation of the last Angmering Advisory Group at the last minute. The Vice-Chairman requested that the purpose of the Advisory Group be revisited, as it had changed from the original concept and did not comply with its terms of reference by giving a voice to speculative developers rather than looking to ensure the section 106 requirements of developers with granted permissions were delivered. County Councillor Urquhart noted that she agreed with this.

District Councillor Cooper stated that as Chairman of the Advisory Group he would talk to the officers and reminded people that he was available by email should concerns need to be raised, rather than just asking questions at meetings like this.

16/220

JUDICIAL REVIEW

The Vice-Chairman stated that this was a live subject and that he believed it should be dealt with confidentially. It was unanimously **AGREED** that this item would be moved to the end of the meeting where a confidential briefing could be made.

16/221

FUTURE DEVELOPMENT PROPOSALS

The Clerk had circulated an update on the work of the Masterplan Working Party since the Parish Council's last meeting, a copy of which was attached to these minutes.

Councillor Bicknell believed that the proposals from the working party should concentrate on preserving jobs as well as housing.

The Clerk reported that the need to produce a list of small sites was rather more urgent than the revision of the Neighbourhood Plan, which would in any case need wider consultation. He would report the working party's conclusions to all councillors before anything was submitted to ADC. He believed that the small sites list would need to be submitted within the next month.

The Clerk confirmed that the update document would be published on the Parish Council website in early course.

16/222

COMMUNITY LAND TRUST – MAYFLOWER WAY

The Clerk gave an update on progress from the perspective of the Community Land Trust, and confirmed that the public exhibition for the scheme had taken place on Thursday 2 March 2017 in the King Suite at Angmering Village Hall. The event had been well attended with over 100 people coming and had resulted in only one negative comment. The presentation had been well received and had enthused a number of new expressions of interest for the proposed houses.

Councillors agreed that the event had been very well organised and congratulated Rob Martin on this and asked to pass thanks to the Architects and others responsible.

The Clerk explained that the financing of the project was now being organised with an interest from the developer on a neighbouring site which would mean that there might be funds to improve the affordability of the CLT scheme. It was expected that information on this would be available within the next week or so.

16/223

PALMER ROAD PLAYING FIELD

The recommendation of the CLEW Committee to support the maintenance work on the football pitches and to make an overall budget of £10,000 to achieve this over the next twelve months was proposed by Councillor Mountain and seconded by Councillor Bicknell. This was unanimously **AGREED.**

16/224

COMMUNITY GRANT APPLICATIONS

No further applications for grant had been received since the previous meeting.

The 2016/2017 budget for Community Grants was £3,300 and grants allocated to date amounted to £3,261, leaving a balance available of £39 from which to fund further grants.

16/225

QUESTIONS ON THE ALREADY CIRCULATED NOTES OF MEETINGS OF PARISH COUNCIL WORKING PARTIES AND REPRESENTATIVES ON OTHER ORGANISATIONS

- a) The ASRA Joint; Library; and St Nicholas' Working Parties, and
- b) JDAC; JEAAC; ADALC; ASRA; JEAAC H&T; Twinning Association; Angmering Village Hall Committees & Littlehampton Health Services Advisory Group

It was noted that neither the JDAC nor JEAAC minutes had been circulated.

There were no questions.

16/226

QUESTIONS FROM COMMITTEES HELD SINCE THE LAST MEETING

An opportunity to ask questions resulting from the already circulated minutes of the meetings of the following Committees:-

- a) The Housing, Transport & Planning Committee meeting held on 21 February 2017.
- b) The Community, Leisure, Environment and Well-Being Committee held on 22 February 2017.

There were no questions.

16/227

2016/2017 FINANCIAL REPORT

The reports were noted.

16/228

TO CONSIDER ANY URGENT MATTERS, FOR INFORMATION ONLY, ARISING SINCE THE PREPARATION OF THIS AGENDA

None.

16/229

DATE OF NEXT MEETING

- a) The next scheduled Meeting of the Parish Council was on Monday 10 April 2017, at 7.30pm in the Village Hall.
- b) The Annual Parish Meeting would take place on Monday 24th April 2017, at 7pm. The main matter to be discussed would be the proposed revision to the Neighbourhood Plan.

16/230

CONFIDENTIAL MATTERS

The Parish Council was asked to decide whether, in accordance with Standing Order 1(c), the public and press should be excluded from the meeting for the next agenda item because their presence is prejudicial to the public interest by reason of the confidential nature of the business to be transacted.

This was unanimously **AGREED**.

The meeting finished at 21:40.

.....
Chairman

Date.....

ANGMERING PARISH COUNCIL ACTION LIST

Meeting Date	Minute No(s)	Title	Action Required	Action Taken	Further Action	Comments
11 July 2016	16/057 a)	Angmering Traffic Management Scheme	Further Discussion with WSCC	Meeting arranged	Advertise formal consultation process.	Awaiting results of consultation
11 July 2016	16/057 e)	Telephone Box	Continue to pressurise BT to replace	Emails sent to BT, no response	Keep in contact	Apparently, this is in the hands of BT's contractor and they cannot say when it will be replaced
11 July 2016	16/063	Twinning	Contact new Head Teacher at Angmering School	Await new Head Teacher		To promote school involvement
11 July 2016	16/065	Annual Fair planning team	Set up meetings to plan for next year	Yet to be set up	Set up meeting, arrange for feedback	
8 August 2016	16/082	Community Land Trust	Continue with work on West End Nursery and Mayflower Way		The CLT is applying for support funding, from the Community Housing Funds held by ADC	The CLT has received an offer for access to the site opposite and towards the capital costs. This is still subject to clarification and negotiation.

ANGMERING PARISH COUNCIL ACTION LIST

Meeting Date	Minute No(s)	Title	Action Required	Action Taken	Further Action	Comments
10 October 2016	16/114	Bus Shelters	To review the possibility of siting bus shelters	Cllr Thompson has subsequently volunteered to carry out a review on possible sites	Cllr Thompson presented a report to the Community Facilities Sub-Committee in which he has suggested 9 possible sites for bus shelters	Grant sources are still being investigated
16 January 2017	16/170	Judicial Review	To continue supporting the Parish Solicitor and Barrister in information gathering	This has continued		
16 January 2017	16/171	Future Development Proposals	To set up the Working Party	The working party has been meeting weekly and is considering further work.	Small sites letter sent to ADC	
13 February 2017	16/211	Transfer of Land	To transfer the Mayflower Way site to the CLT for the affordable housing scheme	The legal processes were still being undertaken.		

Chairman's Report
Angmering Parish Council

Station Road and A259 tidy up

A big thank you to the Angmering In Bloom team and Councillors Jones, Evans and Phelon for the brilliant job undertaken on 15th March, in clearing up the mess left by WSCC contractors when building the cycle path to the Sainsbury traffic light. It looks a hundred times better, thank you.

ADALC

I attended the ADALC meeting on 22nd March. There were to be two presentations but unfortunately the one I had particularly gone to listen to on Setting Up and Organising Youth Facilities, both speakers had been unable to attend!

The one presentation given was on Health and Wellbeing, which was generally encouraging councils to replace the services no longer being provided. Apparently every Health Centre now has a PPG (Patient Participation Group) and the council may consider whether to approach our local practice about whether we should have a representative on this group.

The next meeting is on 21st June.

Angmering Chorale

Angmering Chorale very kindly once again invited me to attend their concert in Arundel cathedral on 25th March. This time they sung Jazz, I have to say that the choir very obviously really enjoyed singing, they did an excellent job and the soloist was brilliant. I would like to take this opportunity to thank them for their invitations this year, it has been delightful and I have enjoyed their beautiful singing.

Angmering Twinning Association

As the Parish Council representative I attended the committee meeting on 28th March. There is nothing new to report but if anyone is interested in joining the Association and going to Ouistreham in August please let us know.

The Library

It is with sadness that we have said goodbye to Jane Chilton, the Libraries Manager, who retired at the end of March. We have had a very successful working relationship with Jane for nearly three years but we wish her every success in her new relaxed life.

The Volunteers library is working well, with reliable and hardworking librarians. We now have enough to cover both the Saturday afternoon and Wednesday evening, which personally I am pleased about as I no longer have to cover the gaps. Thank you to all the volunteers for all that they do.

Finally

Finally, I would like to thank the members of the council and members of the public who have been on the working party for the neighbourhood plan, this is being updated elsewhere.

Susan Francis

Chairman Angmering Parish Council



REPORT TO COUNCIL

Date: 10 April 2017
Prepared by: Rob Martin
Subject: CLT Cash Flow

COMMUNITY LAND TRUST CASH FLOW ASSISTANCE

Background

1. The Mayflower Way project is now advancing apace, with the transfer of land from the parish council to the CLT imminent. The parish council resolved at its last meeting to transfer the land for the nominal sum of £1, plus the parish’s legal costs and that the payment of the legal costs would not be demanded for up to 9 months.
2. The current position on the development is that the CLT is about to submit a pre-planning application for assessment by the planners and to provide the CLT with an assessment of what will be required in the full application.
3. The costs to date have been covered by the CLT Network set-up (£4,000) and Locality feasibility (£10,000) grants, plus the amount made available from the parish council over the last three years.
4. The current outline timetable for the project is:

Draft programme (project plan)

stage	date
Pre-application meeting	April 2017
Decision / response from ADC Planning	May 2017
Submit planning application	July 2017
Decision on application	Sept. 2017
Agree S 106	Nov. 2017
Tender for build contract	Jan. 2018
Appoint contractor	Feb. 2018
Start on site	May 2018

5. In order to go beyond the pre-application stage there is a need for the Trust to bear substantial cost on getting the necessary work done on the final plans and supporting information. In particular, there is work to be done by Architects, the CLT’s agent, AirS, ADC (Planning Fee) and many surveys (tree, flood assessment, ecological etc), all of which will require payment in the coming weeks.
6. An application is being made to Locality for grant of up to £40,000 to cover this, for which a match funding of 10% has to be secured and the District Council has indicated that it will consider a grant from the Community Housing Fund of £20,000 or so. The broad estimate of the cost is that it will be around £60,000 which will be

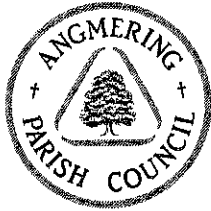
AGENDA ITEM 11

covered if both of these grants are received, but the problem is in the timing as the work needs doing now and the grants will be available towards the end of April at the earliest.

7. The parish council has, within its budget, a figure of £2,000 as support to the CLT. Consideration could be given to increasing this to at least £4,000 to provide the third party match funding.
8. An alternative source of funding is available from the Charity Aid Foundation (CAF), which will lend up to £50,000 which it converts to a grant if planning permission is not granted, but, if it is, then a 25% charge is made upon repayment – a rather expensive option.
9. From a formal offer from Henry Adams, there is substantial finance to be gained from the connection of the CLT project with that being proposed for the adjoining open market site. In addition, the CLT has secured funding for the main scheme costs which will only be available at extremely low interest rates, when it is up and running.
10. Whatever happens in the meantime, all costs not covered by grant will be subsumed into the loan arrangement that will be entered into when the scheme build takes place.
11. It should be noted that the most common cause of Community Land Trusts not being able to go forward is the initial funding that is needed. There are virtually no grants and the cost of acquiring the land for the first scheme usually means that the idea falls at the first hurdle.
12. This is the first project, which is the problem because the CLT has no assets to use to provide security for any loans. Once the second project comes along, the appropriate finance will be available within the accounts of the Trust. It just needs a hand-up for the time being.

Decisions Requested.

13. To provide a grant to the CLT to enable of at least the £2,000 budget and possibly consider a larger sum in order to provide the Locality match funding.
14. The parish council to consider whether it would provide a bridging facility to the CLT to cover the short-term shortfall to enable the CLT to proceed through the planning process with the expectation that, whatever was outstanding at the time, the balance owing would be paid off in full within the 9 month period already granted for the land transfer expenses. The balance of this facility not to exceed £60,000 and for it to be refunded, at the latest by 31 December 2017.



Established 1894

Angmering Parish Council

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West Sussex BN16 4EA

Telephone: 01903 772124

E-mail: rob.martin@angmering-pc.gov.uk

Website: www.angmeringparishcouncil.gov.uk

APPLICATION FOR A GRANT FROM ANGMERING PARISH COUNCIL 2017-2018

In order to be eligible for a Parish Council Grant you or your organisation must fulfil at least one of the criteria in Section A and the application must fulfil at least one of the criteria in Section B. In addition, all applications must be supported by the information in Section C, and have regard to the exclusions in Section D. The details of the application must be completed in Section E.

NAME OF ORGANISATION	St Barnabas House
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Section A

	<u>What type of organisation are you?</u>	Tick relevant box(es)
A1	A Charity providing services available to residents of Angmering	x
A2	An existing local group or organisation providing services available to residents of Angmering	
A3	A new group or organisation, wishing to provide services for the residents of Angmering	

Section B

	<u>Which criteria will your application fulfil?</u>	Tick relevant box(es)
	Reaching new people	
B1	Increasing group membership and/or widening participation	
B2	Starting up new activities and/or expanding existing services for residents of Angmering	
B3	Organising community events and activities	
B4	Bringing the community together	x
	Developing Services and supporting the local economy	
B5	Organising one-off events to increase visitors to Angmering	
B6	Activities aimed at developing skills for local unemployed	

Section E

Name of contact for grant purposes	Denise Thornton
Position of contact	Fundraising Development Volunteer
Full contact postal address, including postcode.	Titnore Lane Worthing BN12 6NZ
Email address and website (if applicable)	Denise.thornton1@stbh.org.uk www.stbh.org.uk
Telephone number of contact	01903 706330
Total Project Cost	£635 per visit
Amount of grant applied for	£250
Where is the remainder to be financed from?	Other parish councils and organisations have been approached
Cheque to be made payable to	St Barnabas Hospices
Purpose for which the grant is needed (Supporting evidence may be provided on a separate sheet, if necessary)	Hospice Outreach Project vehicle See separate sheet already submitted
How many Angmering residents in organisation?	Unknown, but many residents of Angmering will be cared for by St Barnabas House
How many Angmering residents will benefit from the grant?	Anyone who visits the HOP could benefit from advice given
If you received a grant from the Parish Council during 2014-2015 please outline how the grant was spent	n/a
Signature	D L Thornton
Date	07/03/2017

Charity number: 256789

St Barnabas Hospices (Sussex) Limited

Registered number: 00930107

Trustees' report and financial statements

For the year ended 31 March 2016

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ST BARNABAS HOSPICES (SUSSEX) LIMITED
(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY AND ADVISERS

Trustees	D Jones, Chairman C Clinch (resigned December 2015) J Baumann D Bunce M Carroll M Chowen M Davies (appointed April 2015) Dr R Eve G Hunton (resigned November 2015) G Jeffs, Treasurer M Milling (appointed November 2015) E Orford (resigned November 2015) D Pegler (appointed November 2015) M Rymer P Seear (resigned November 2015) T Wolstenholme (resigned November 2015) P Woolgar
Company Registered no.	00930107
Charity Registered no.	256789
Registered Office	St Barnabas House Titnore Lane Worthing West Sussex BN12 6NZ
Company Secretary	M Caunhye
Auditor	Kreston Reeves LLP 9 Donnington Park 85 Birdham Road Chichester, West Sussex PO20 7AJ
Bankers	National Westminster Bank PLC 5 Broadwater Street East Worthing West Sussex BN14 9AB
Solicitors	Blake Morgan New Kings Court Tollgate Eastleigh SO53 3LG
Investment Advisers	Rathbones Investment Management Limited 159 New Bond Street London W1S 2UD
Senior Management Team	H Lawson, Chief Executive J Cox, Deputy Chief Executive G Brennan, HR Director A Burt, Director of Adult Nursing M Caunhye, Finance Director L Perry, Director of Children's Services S R Smith, Director of Income Generation & Marketing

ST BARNABAS HOSPICES (SUSSEX) LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The Trustees present their annual report (including the requirements of the Directors' Report and Strategic Report) and accounts for the year ended 31 March 2016. These comply with the Companies Act 2006, St Barnabas Hospices (Sussex) Limited governing documents, which state that the charity's objective is to promote the relief of sickness and suffering, and with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

St Barnabas Hospices (Sussex) Limited includes the activities of St Barnabas House and Chestnut Tree House. It is a registered charity number 256789 and a charitable company with its registered office and other details noted on page 2.

St Barnabas Hospices (Sussex) Limited is regulated by the Care Quality Commission (CQC). The Care Quality Commission is the independent regulator of all health and social care services in England.

OBJECTIVES AND ACTIVITIES

St Barnabas Hospices (Sussex) Limited provides palliative care services through its adult hospice, St Barnabas House, and its children's hospice, Chestnut Tree House. The charity seeks to ensure that its services are equally available to all adults and children who meet the referral criteria and this includes all diverse groups within the population covered by the service.

The charity ensures that all staff involved in decisions about care and treatment make such decisions based on professional codes of practice and legal and ethical principles. Care plans are discussed with patients and, where appropriate, relatives and parents. A multidisciplinary approach enables a variety of risk factors and benefits to be considered. A robust clinical governance structure is in place monitoring indicators of both quality and risk.

As a charity, St Barnabas Hospices receives limited funding from statutory authorities and raises most of its funding through legacies and its own fundraising activities, which include a retail chain of 22 shops, a lottery and many fundraising events.

Public benefit

All of the activities undertaken by the charity are to further its charitable purposes for the benefit of the public. The charity's mission statement reads as follows: "Our mission is to achieve dignity, comfort and choice for all children and adults facing the end of life".

This care is delivered to adult patients and their families throughout Adur, Arun and Worthing areas of West Sussex through St Barnabas House and to children and their families throughout both East and West Sussex and parts of South East Hampshire through Chestnut Tree House. No charge is made for any of the services provided.

The Trustees have complied with their duty under Section 17 of the 2011 Charities Act and have referred to Charity Commission guidance on public benefit. The main benefits which have arisen during the year as a result of the organisations aims and activities are detailed in the following pages.

St Barnabas House aims to support end of life care for adults in their home, in the community and at the hospice for those who need the services in the Worthing, Adur and Arun area.

Chestnut Tree House aims to care for every life-limited child, young person and family who needs support in East and West Sussex and South East Hampshire.

ST BARNABAS HOSPICES (SUSSEX) LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

STRATEGIC REPORT

Achievements and performance

St Barnabas House

St Barnabas House continues to be the main provider of specialist palliative care for adult patients and their families in the Worthing, Adur and Arun area. Our holistic care supports people with any advanced, progressive life-limiting disease, irrespective of diagnosis. Since formation, the hospice has provided care to over 38,100 people.

The services provided to patients include a 20 bed in-patient facility, a day hospice, an outpatients' service, a specialist nurse community team, a hospice at home service, an outreach information service, counselling and bereavement support. This diverse approach offers a choice of services for people to access and aims to maximise an individual's independence in receiving care in their preferred place. This can be at home, in the hospice or in a care home.

Our aim: Our overall long term goal is to make hospice care more accessible to more people. Over the year we have measured the following outcomes to ensure we are making progress in this direction.
Our impact: <ul style="list-style-type: none">◆ Referrals to the overall service up by 4.8% from 2014/15◆ Day Hospice attendances up by 6.4% from 2014/15◆ Education attendees above target by 55.1% with 1,489 attendees in 2015/16◆ Hospice at Home referrals up by 3.1% from 2014/15

Our aim: To continue to develop our Hospice at Home (H@H), day service
Our impact: <ul style="list-style-type: none">◆ In 2015/16 a total of 309 patients were supported by the H@H day service◆ The day service undertook 3,400 visits during this period◆ 145 patients were cared for in their homes, before they died, under the care of the Hospice at Home team - up from 136 in 2014/15

Our aim: To continue to develop our Hospice at Home (H@H), night sitting service from 10pm to 7am
Our impact: <ul style="list-style-type: none">◆ 418 night sit visits were made by the Hospice at Home team, up from 310 in 2014/15◆ 3,717 hours of care was provided in the year

ST BARNABAS HOSPICES (SUSSEX) LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Chestnut Tree House

The children's hospice was opened in 2003. It provides children and young adult's palliative care services across the whole of Sussex and South East Hampshire. Services offered include assessment, advice and information for children and young adults with life-shortening conditions.

Specialist short breaks, emergency and end of life care at the hospice or in the child's own home 24 hours per day are also offered, as well as support and advice from our multi-disciplinary team for the entire family following diagnosis and through the whole disease process.

Care for a child and their family after death together with bereavement support is also provided, including befriending, counselling and support. Specialist services have been set up for the children prior to starting school and for the young adults.

Our aim: Building for the future
Our impact: The use of the building is being reviewed by the SMT and Trustees. Plans for an extension allowing for 4 additional beds along with additional meeting rooms and education rooms to meet the needs of the staff have been discussed. Although planning permissions were granted, which are still in place, we are developing our community team and are reviewing the needs of the children throughout our area to inform our plans.

Our aim: Reach more families. Having reviewed the population of the geographical areas we cover, there are a number of areas of unmet need.
Our impact: An office base has been established together with a team of nurses in Eastbourne. We are looking to pilot a new community allowance as people living further from the Hospice would benefit from having more community help.

Our aim: Hard to reach families
Our impact: As part of the strategic review for Chestnut Tree House we have been looking at the different families in the catchment areas. These include a diverse mix of rural, urban, affluent and some of the most deprived areas of the county. We also have diverse cultural populations in these different areas. These families are considered as 'hard to reach' families and our focus over the next three years is to engage with them more. This will be measured by increasing referrals in these areas. We have chosen three main areas: Hastings, Crawley and Brighton. The aim will be to raise awareness around children with life-shortening conditions and the services Chestnut Tree House can offer.

ST BARNABAS HOSPICES (SUSSEX) LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Education

Statutory training has continued for our clinical staff throughout the year and uptake has been good.

The Annual Education Programme has continued with core subjects being taught to meet the learning needs of our local health and social care professionals.

	2015/16	2014/15
Number of total internal and external attendees	1,489	1,802
Course evaluation overall rating as excellent	84%	89%

We worked collaboratively with many different organisations to respond to the learning needs of health and social care professionals locally. The numbers are lower than last year due to staffing issues. The department is now fully resourced and activity levels are increasing.

The Education Department has continued to support clinical placements throughout the year for students in nursing, medicine, social work and occupational health.

Volunteer Services

The charity could not deliver its services, fundraise or operate its shops without the invaluable assistance of our volunteers. Without our volunteers the services we provide would be limited. They not only provide their time but also a link to the community and bring experience and variety to our working and caring environment.

Currently there are 939 registered volunteers working for the organisation, plus 1,500 active fundraising volunteers. Their duties are many and varied, ranging from helping on the fundraising front, to assisting within the body of the hospices, in the gardens, as drivers or in one of the retail shops. The total number of hours gifted in 2015/16 was 102,956 (2014/15 – 106,000). This number excludes a large number of fundraising volunteers in the community, assisting at events.

St Barnabas House community companions are volunteers who provide social and practical support to patients and their carers. They do not undertake personal care, but their role complements the care provided by other services. This support may enable patients to stay in their own homes longer and avoid admission to hospital or transfer to a nursing home. This year 138 patients have been supported through 2,788 volunteer hours.

Information Communication Technology (ICT)

Information, Communication and Technology is becoming increasingly important to delivery of our services and during this year the infrastructure was assessed and updated on a rolling basis.

With increased community services, the demand on mobile technology has been significant. This demand will continue in the coming years as ways of maximising existing technology together with new technologies are implemented.

ST BARNABAS HOSPICES (SUSSEX) LIMITED
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

INCOME GENERATION

Fundraising, Retail, Marketing & Communications

Gross income (excluding legacies) for both hospices from fundraising, donations, retail and lottery grew to over £9m. While not all targets were exceeded, the underlying trends on our key income streams are all very positive.

Our Hospice Lottery generated over £1.3m direct net income and finished the year with a total of 36,462 weekly playing members. The Lottery continues to be a key area of long-term investment and is one of the largest hospice lotteries in the UK providing a valuable and sustainable resource for funding our hospice care services.

Our Retail operation generated over £1m in direct net income before depreciation and support costs. Both sales and profits were 4% up on last year - 17 of our 22 shops increased sales while Rag income fell by 12% and Gift Aid income was £171,000. Our newest shop in Chichester met all targets in its first full year of trading. At the end of the year we closed our Worthing Chestnut Tree shop but expect to open one or more new shops in the very near future. Our hard-working Retail staff are wonderfully supported by hundreds of volunteers across all our shops.

Fundraising highlights of the year include income from the corporate sector in Sussex, the CTH Christmas appeal which reached 350,000 Sussex households and St Barnabas' Light Up A Life campaign which rose more than ever before. We saw excellent growth in net and gross income from our expanding Hospice Events programme. We depend on volunteers, especially for community fundraising and at our Hospice Events, and we are fortunate to have over 1,700 active fundraising volunteers. Pay For A Day continues to be generously supported and our Snowman Spectacular Ball rose over £450,000 on the night for Chestnut Tree House.

Investment in East Sussex marketing and fundraising during 2015 generated local media coverage valued at £147,000 (excluding radio). We had marvellous support during the year from Juliet Smith, the High Sheriff of East Sussex. The Hands Up! campaign continues in East Sussex on radio, in print, online and through PR.

Fundraising across the UK came under the spotlight during 2015, with proposals for a new Regulator and the possibility of a Fundraising Preference Service. We have strengthened our data protection communications to all our supporters and feel well placed to deal with new regulation. We have continued to closely manage all our out-sourced fundraising contracts and agencies (especially for our Lottery). Our Income Generation Committee has discussed the need to monitor complaints, contracts and fundraising standards.

Our Future Plans

National studies highlight an increasing ageing population with corresponding care needs. The number of children with a life-threatening or life-limiting condition is also increasing as is their life expectancy. In future years there will be far greater demand on St Barnabas Hospices services than ever before and our plan is to increase capacity and our range of services to better meet this need both within the hospices and in the community and adjust our working practices to ensure we can offer the most effective service to our beneficiaries.

St Barnabas House

- To increase the number of people who are able to die in their preferred place of care.
- To expand the Hospice at Home team to support people with end of life care needs who require night sits in their own home.
- To improve the way we inform our community about end of life care services that are available for people who are ill or bereaved and their family, friends and carers.
- To further increase the number of people we support through outpatients services.

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FOR THE YEAR ENDED 31 MARCH 2016

Chestnut Tree House

- To increase the capacity of our community team so that we are able to reach more children across the whole area
- To market the services offered across Sussex to the statutory agencies and increase access to our services.

These targets have been factored into the budgets for 2016/17 along with the corresponding increase in patient numbers. St Barnabas Hospices needs to remain financially sound in terms of reserve levels and income generation to meet the continuing care and increased expenditure which will result from providing more care to more people in our community.

Income generation remains a challenge going forward, as does the changing health care funding mechanism. The emergence of commissioning contracts and tariff funding brings the need for enhanced ability to meet data-capture requirements.

Financial review

The results for the year are shown in the Statement of Financial Activities. Income totalled £15,029k (2015 - £14,401k) a 6.4% increase from the previous year.

The charity received a grant from the West Sussex Primary Care Trust of £1,325k (2015 - £1,320k) for the adult hospice. The children's hospice received a grant from the Department of Health for £231k (2015 - £231k).

Total expenditure amounted to £15,454k (2015 - £14,716k), an increase of 5% over the previous year. This net increase reflects increased staffing particularly across our clinical teams, IT development costs and underlying income generation and support costs.

The charity continues to invest in the growth of its retail business, fundraising and contract income in order to continue to diversify income streams in light of both the changing healthcare funding environment and our own objective to ensure our services reach more people who need them.

The level of expenditure over income, produced an operating deficit of £425k, (2015 - £315k), before changes in the value of investments.

The decrease in the stock market over the year resulted in an unrealised loss on investments of £1,012k (2015 - gain of £977k). This non-cash unrealised loss on investments decreased the net movement on funds for the year to a deficit of £1.48m, (2015 - surplus £752k).

Reserves policy

In order to sustain the organisation's ability to deliver the services to which it is committed, the Trustees have resolved to maintain such financial reserves as they deem necessary to ensure that there can be continuity over an extended period.

The charity's income is heavily dependent on the public's generosity, 62% of income for the past year having been raised through voluntary sources and a further 19% through its charity shops, the Trustees recognise that unforeseen fluctuations in the flow of funds from the public could seriously diminish the organisation's ability to function on a day-to-day basis.

A key objective of the charity's services is not simply the provision of these services but the maintenance of care and support for the whole period of time that beneficiaries may need them. Clearly the horizon for the extent of such care is variable and can extend several years. The Trustees cannot countenance the risk that

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beneficiaries should ever have their care curtailed by purely financial considerations. The trustees also consider it prudent and desirable to ensure that the risks and challenges faced by the charity in the short and medium term can be met without interruption to services.

The Trustees have considered the changing environment for health care funding and the prevailing economic conditions and accordingly have determined that the income generation risk profile has significantly altered.

Statutory funding in the current year covered 15% of care costs. After the year to 31st March 2017 it remains unclear what funds will be available and how a contract based outputs or impact level service agreement will be determined. This increases both the financial and liquidity risks to the charity, where costs will be incurred prior to any payment and the trustees are conscious of the need to retain reserves levels throughout this period of uncertainty.

The Trustees are also aware of the unpredictability and potential significant variances from the receipt of legacy income in any one year. The charity continues to develop multiple income streams but recognises that legacies budgeted at approximately 20% of care costs would have a significant impact if the budget amount was not achieved.

Having considered the forecast and commitments for future expenditure together with the potential vulnerabilities to income flows, the Trustees consider the level of free reserves at 31 March 2016 to be adequate to meet the requirements of the above policy.

	£
Total funds held at 31 March 2016	38,101
Less:	
Restricted funds	(180)
Amounts held as tangible fixed assets	(16,579)
Less other designated funds:	
Pension deficit	(200)
Revaluation reserve	(2,940)
Legacy equalisation fund	(1,950)
CTH development fund	(1,500)
Free reserves at 31 March 2016	<u>14,772</u>

Investment policy and objectives

The Trustees intend the real value of the charity's assets invested be secured and enhanced by investment in a portfolio comprising equities, fixed income, property, hedge funds and cash. Each year the Trustees decide on an appropriate rate of return for the portfolio.

The Trustees review the brief given to the investment managers on an annual basis with regard to the proportion of investments to be held in each asset class within the portfolio; the level of risk which is acceptable and the level of income required. The charity does not make investments in any stocks which may be considered to be unethical in the context of the objects of the charity.

Investment performance

Since 1 April 2015 there have been disposals of £1.663m and acquisitions of £3.571m. The uncertainty in the markets has caused the value of the investments to decrease by £1m to £18.4m. These investments have an historic cost of £15.6m. The dividend income received was £567k (2015 - £417k) which represents a yield on the weighted average of the portfolio of 3.16%. The Trustees are satisfied that the investment managers, Rathbones, have met the investment objectives given to them.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Going concern

The Trustees consider the charity has adequate resources to continue in operational existence for the foreseeable future. They continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Risk management

The Trustees have a risk management strategy which comprises the following:

- A regular review of the risks that the charity may face and the maintenance and monitoring of the risk register
- The establishment of systems and procedures that will mitigate those risks identified in the review
- A notifications process for any new or changed risks identified by the charity
- The implementation of procedures designed to minimise any potential impact for the charity should those risks materialise
- A specific clinical governance group which oversees all clinical policies and procedures and ensures a continuous high standard of care is received by patients and their families. This group regularly reviews benchmarks and KPIs to ensure consistent standards are met for delivery of care across both hospices.

This work has identified that reputational risk is the major financial risk for the charity. The key elements in the management of reputational risk is a PR crisis management plan, produced by the Marketing & Communications Department.

There is on-going review of all outsourced contracts; increase supervision of suppliers; meetings with suppliers to review current climate and standards. The charity monitors and carries out mystery shopping at its retail shops. The charity also carries out new donor verification and quality checking.

The charity continues to invest in Health & Safety training and has seen a significant improvement in the reduction of the risks associated with the workplace. A key element in the management of financial risk is the setting and regular review of a reserves policy, by the Finance Committee, together with a close monitoring of both income and expenditure trends at a detailed level.

Trustees recognise that systems can only provide reasonable but not absolute assurance that major risks are being adequately managed.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

St Barnabas Hospices (Sussex) Limited is a company limited by guarantee and registered with Companies House. It is governed by its Memorandum and Articles of Association dated 20 March 1968 and amended by special resolutions passed on 17 November 1998; 25 February 2003; 13 November 2006, 11 May 2010, 12 November 2013 and 23 February 2016.

Organisational structure

The Board of Trustees administers the charity and meets at least bi-monthly. There are five sub committees, namely Finance & Risk, Income Generation, Clinical Governance, Trustee Recruitment/CEO reward and Communications/Gifts. The Clinical Governance Committee meets at regular intervals and one trustee acts as the registered nominated individual for each hospice. The Chief Executive is appointed by the Council of

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Trustees to manage the day-to-day operations of the charity.

The Board seeks to ensure that all activities are within the charitable objectives of the charity. Its responsibilities include setting the strategic direction and approving the business plan and budgets. Other matters reserved for decision-making by the Board are clearly identified as part of the corporate governance documents.

The Board considers, and acts on, advice and information presented at its regular meetings which are attended by the Chief Executive and members of the management team. Specialist advice is also sought when required.

Recruitment, appointment and training of trustees

As set out in the Articles of Association, the maximum number of trustees is 15 and they are nominated from the Association. All members of the Council are circulated with the names of retiring trustees and the nominations for the new trustees prior to the Annual General Meeting when an election is held. The Chair of the Trustees is appointed annually by the Council of Trustees. Trustees are only able to serve three terms of three years. New trustees undergo a full induction and training programme, which includes a trustee training pack, a visit to both hospices and the opportunity to meet the senior management team.

Disabled employees

The charity gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the charity's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Employee involvement

Engaging openly with our workforce is an important part of making St Barnabas Hospices a great place to work and we do this through a number of informal and formal means, ranging from staff forums, opinion surveys and our performance management system through to newsletters, leadership forums and briefings.

Remuneration policy for key management personnel

The Trustees consider that the Trustees and the senior management team comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All Trustees give of their time freely and received no remuneration in the year. Details of expenses are given in note 6 to the accounts.

The pay of senior staff is reviewed annually and normally increases in accordance with other hospices and general NHS increases.

Group structure

The company owns two subsidiary companies, St Barnabas Hospice (Worthing) Projects Limited, whose principal activity was to design, manage and build the new adult hospice and St Barnabas Hospices (Sussex) Trading Limited. The latter exists to facilitate, in a tax compliant manner for the charity, certain activities such as trading of bought-in goods. All the profits from the trading company are donated to St Barnabas Hospices (Sussex) Limited.

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Disclosure of information to the auditors

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

Statement of trustees' responsibilities

The law requires the Trustees, who are also the directors for the purposes of company law, to prepare the Trustees' Annual Report (including the Strategic Report) and the financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of its results 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 Charities SORP 2015 (FRS 102)
- Make judgements and estimates that are reasonable and prudent
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- The charity is operating efficiently and effectively
- Its assets are safeguarded against unauthorised use or disposition
- Proper records are maintained and financial information used within the charity or for publication is reliable
- The charity complies with relevant laws and regulations
- A system of effective clinical governance is in place

The systems of internal controls are designed to provide reasonable, but not absolute, assurance against material miss-statement or loss. They include:

- An annual budget approved by the Board
- Regular forecasts to predict the likely outcome for the financial year
- Regular monitoring of actual performance against budgets and forecasts
- Delegation of authority to managers for expenditure within budget limits
- Segregation of duties
- Identification and management of risk

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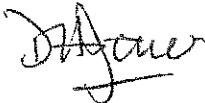
TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Auditors

Kreston Reeves LLP have indicated their willingness to continue in office and a resolution to re-appoint Kreston Reeves LLP as auditors will be proposed at the forthcoming Annual General Meeting.

In approving the Trustees' Annual Report, we also approve the Strategic Report included therein, in our capacity as company directors.

Approved by the trustees on 5th September 2016 and signed on their behalf, by:



D Jones, Chairman



G Jeffs, Treasurer

ST BARNABAS HOSPICES (SUSSEX) LIMITED
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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST BARNABAS HOSPICES
(SUSSEX) LIMITED

We have audited the financial statements of St Barnabas Hospices (Sussex) Limited for the year ended 31 March 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 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 set out on page 12, 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report (including the Strategic Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.

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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST BARNABAS HOSPICES
(SUSSEX) LIMITED

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.

Simon Webber BA FCA (Senior Statutory Auditor)
For and on behalf of Kreston Reeves LLP, Chartered Accountants and Statutory Auditor
9 Donnington Park
85 Birdham Road
Chichester
West Sussex
PO20 7AJ

Date:

ST BARNABAS HOSPICES (SUSSEX) LIMITED
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STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2016

	Note	Restricted Funds 2016 £000	Unrestricted Funds 2016 £000	Total Funds 2016 £000	Total Funds 2015 £000
Income from:					
Donations and legacies	2	2,191	4,516	6,707	6,604
Other trading activities	3	1,172	6,489	7,661	7,258
Investment income	4	-	613	613	487
Other		-	48	48	52
Total income		3,363	11,666	15,029	14,401
Expenditure on:					
Raising funds	5	-	5,220	5,220	5,022
Charitable activities	5	3,427	6,807	10,234	9,694
Total expenditure		3,427	12,027	15,454	14,716
Net gains / (losses) on investments	10	-	(1,012)	(1,012)	977
Net gains on investment property		-	(1)	(1)	90
Net (expenditure)/income before transfers		(64)	(1,374)	(1,438)	752
Transfers	14	-	-	-	-
Net movement in funds for the year		(64)	(1,374)	(1,438)	752
Reconciliation of funds:					
Total funds at 1 April 2015	14	224	39,315	39,539	38,787
Total funds at 31 March 2016		160	37,941	38,101	39,539

All activities relate to continuing operations.

The charity has no recognised gains or losses other than the net movement in funds for the year.

The notes on pages 19 to 33 form part of these financial statements.

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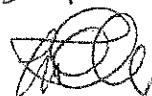
BALANCE SHEET
AS AT 31 MARCH 2016

		2016		2015	
	Note	£000	£000	£000	£000
Fixed assets					
Tangible assets	9		16,748		17,784
Investments	10		18,364		17,468
			<u>35,112</u>		<u>35,252</u>
Current assets					
Stocks		4		4	
Debtors	11	415		367	
Cash at bank		4,167		5,632	
		<u>4,586</u>		<u>6,003</u>	
Creditors: amounts falling due within one year	12	<u>(1,288)</u>		<u>(1,254)</u>	
Net current assets			3,298		4,749
Total assets less current liabilities			<u>38,410</u>		<u>40,001</u>
Creditors: amounts falling due after more than one year	13		<u>(309)</u>		<u>(462)</u>
Net assets			<u>38,101</u>		<u>39,539</u>
Charity funds					
Restricted funds	14		160		224
Unrestricted funds:					
General fund	14	14,772		13,689	
Designated funds	14	20,398		21,217	
Revaluation reserve	14	2,771		4,409	
Total unrestricted funds			<u>37,941</u>		<u>39,315</u>
			<u>38,101</u>		<u>39,539</u>

Approved and authorised for issue by the trustees on, ^{5th September 2016} and signed on their behalf, by:



D Jones, Chairman



G Jeffs, Treasurer

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CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

	Note	2016 £000	2015 £000
Net cash flow from operating activities	16	(124)	984
Cash flows from investing activities			
Income from investments		613	487
Payments to acquire tangible fixed assets		(46)	(128)
Payments to acquire listed investments		(3,571)	(3,724)
Receipts from sales of listed investments		1,663	679
Receipts from sales of investment properties		-	318
Net cash flow from investing activities		(1,341)	(2,368)
(Decrease)/increase in cash and cash equivalents		(1,465)	(1,384)
Cash and cash equivalents at 1 April 2015		5,632	7,016
Cash and cash equivalents at 31 March 2016		4,167	5,632
Cash and cash equivalents consists of:			
Cash at bank and in hand		4,167	5,632
Cash and cash equivalents at 31 March 2016		4,167	5,632

The notes on pages 19 to 33 form part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

1. Accounting policies

1.1 Basis of preparation of financial statements

The charitable company constitutes a Public Benefit Entity as defined by FRS 102. The financial statements have been prepared under the historical cost convention, with the exception of certain items which are included at market value. The financial statements have been prepared in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the FRS 102 and the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £000.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

The charitable company does not need to prepare group accounts and these financial statements only refer to the parent undertaking, not the group. The charitable company is exempt under section 402 of the Companies Act 2006 from the requirement to prepare consolidated accounts on the grounds that under section 405 both of its subsidiary undertakings could be excluded from consolidation as their inclusion is not material.

The charity adopted SORP (FRS 102) in the current year and an explanation of how transition to SORP (FRS 102) has affected the reported financial position and performance is given in note 21.

1.2 Income

Income received is included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

All donations and other forms of voluntary income are recorded when the charity has been notified of the amounts and settlement is expected. Other income, including investment income, is recorded on an accruals basis.

Legacies receivable are included in the financial statements when they satisfy the following three criteria:

Entitlement - the earlier of the charity being notified of an impending distribution or the legacy being received;
Probable – receipt is more likely than not and;
Measurement – the monetary value can be sufficiently reliably measured.

Legacies received as equities are valued as advised by the investment managers. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Donated facilities and donated professional services are recognised as an income at their fair value where the provider of the service has incurred a financial cost. Fair value is determined on the basis

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

of the value of the gift to the charity. A corresponding amount is recognised in expenditure. Volunteer time is not included in the financial statements.

Grants are recognised in full in the Statement of Financial Activities in the year in the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Grants for the purchase of fixed assets are credited to restricted income when receivable.

Gifts in kind donated for resale are included at fair value. Where it is impracticable to fair value the items on donation due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'income from other trading activities'.

1.3 Expenditure

Expenditure is recognised on an accruals basis.

Expenditure is allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity comprising the salary and overhead costs of the central function is apportioned on an estimate of the staff time attributable to each activity.

Fundraising costs comprise costs incurred in inducing people and organisations to contribute financially to the charity's work. Costs of charitable activities are those costs incurred in relation to the objects of the charity.

Governance costs are associated with meeting the constitutional and statutory arrangements of the charity, including external audit and the cost of preparing statutory accounts, the cost of trustees' meetings and other costs involved with the charity's strategic management.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at deemed cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	Straight line over 30 years
Leasehold property	-	Shops - straight line over period of the lease Children's hospice - straight line over 30 years
Motor vehicles	-	25% per annum straight line
Fixtures, fittings & equipment	-	10 or 25% per annum straight line
Freehold land	-	Not depreciated

Assets costing less than £5,000, and all computer equipment, are written off to expenditure in the year of acquisition. Assets under construction are not depreciated until the asset is brought into use.

1.5 Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

1.6 Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

Unrestricted funds are donations and other income receivable or generated for the objects of the charity.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

1.7 Operating leases

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the Statement of Financial Activities in the year in which they fall due.

1.8 Investments

Listed investments are stated at market value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities and investment income plus associated tax recoverable, is credited to income on an accruals basis. Investment management costs are charged as expenditure out of the relevant income funds.

Investments in subsidiaries are stated at cost less provision for diminution in value.

1.09 Pension costs

The charity has operated two defined benefit schemes on behalf of its employees – the Federated Flexiplan No 1 Pension Scheme and the NHS Pension Scheme. Both of these schemes are multi-employer schemes where assets and liabilities of the scheme, applicable to each employer, are not separately identified. Therefore, the pension charge recorded in these financial statements is the amount of contributions payable on a defined contribution basis in the accounting year, plus any deficit funding agreed during the year to be paid in future years, in accordance with Financial Reporting Standard 102.

In addition, one defined contribution scheme is operated by the charity. Contributions payable are charged in the period to which they relate. Further information on the pension schemes can be found in note 17.

1.10 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

ST BARNABAS HOSPICES (SUSSEX) LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

2. Income from donations and legacies

	Restricted funds 2016 £000	Unrestricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Donations	21	1,429	1,450	1,495
Legacies	-	3,027	3,027	2,913
Grants	2,170	60	2,230	2,196
	<u>2,191</u>	<u>4,516</u>	<u>6,707</u>	<u>6,604</u>

The charity received a restricted grant from the West Sussex Primary Care Trust of £1,325k (2015 - £1,325k) for the adult hospice. The charity received a restricted grant from the Department of Health of £231k (2015 - £231k) for the children's hospice. Other restricted grant funding of £100k (2015: £100k) was received towards community nurses. Restricted contract income of £514k (2015: £478k) was received for the provision of care at both hospices from West Sussex County Council and Coastal West Sussex CCG.

As at 31 March, the charity had been notified of one residuary legacy, the value of which is uncertain as the executor is waiting on the final valuation and sale of assets from the estate. As at the date of signing these accounts the measurement is still uncertain and so the value of this legacy has not been accrued. The estimated value is approximately £400,000.

3. Income from other trading activities and expenditure on raising funds

	Retail £000	Lottery £000	Fundraising £000	Total 2016 £000	Total 2015 £000
Donations (note 2)	209	-	1,241	1,450	1,495
Income from other trading activities	2,584	1,956	3,121	7,661	7,258
Total income from fundraising	<u>2,793</u>	<u>1,956</u>	<u>4,362</u>	<u>9,111</u>	<u>8,753</u>
Expenditure on raising funds					
Salary costs	1,017	97	993	2,107	2,026
Other costs	845	500	1,145	2,490	2,320
Support costs	329	22	272	623	456
Total expenditure on raising funds	<u>2,191</u>	<u>619</u>	<u>2,410</u>	<u>5,220</u>	<u>4,802</u>
Net income	<u>602</u>	<u>1,337</u>	<u>1,952</u>	<u>3,891</u>	<u>3,951</u>

Salary costs do not include support salaries, as they are included in support costs.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Included within the retail sales figure is £836k (2015 - £844k) relating to the proceeds of sales made on behalf of donors under the retail gift aid scheme. The associated gift aid claimed of £209k (2015 - £211k) is shown as donations.

4. Investment income

	2016 £000	2015 £000
Income from listed investments	567	417
Interest receivable	46	70
	<hr/>	<hr/>
Total unrestricted investment income	613	487

5. Total expenditure

	Staff costs excluding support salaries £000	Other costs £000	Support costs including support salaries £000	Total 2016 £000	Total 2015 £000
Charitable activities					
St Barnabas House					
Inpatient services	2,052	1,082	266	3,400	3,421
Community team services	796	112	104	1,012	980
Hospice at home	577	81	119	777	658
Day hospice	333	200	61	594	590
Outpatients service	105	60	29	194	190
Family services	192	76	29	297	280
Education	97	31	19	147	143
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	4,152	1,642	627	6,421	6,262
Chestnut Tree House					
In house services	1,855	594	318	2,767	2,569
Community team services	755	132	145	1,032	852
Education	10	2	2	14	11
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,620	728	465	3,813	3,432
Total charitable activities	6,772	2,370	1,092	10,234	9,694
Costs of generating funds					
Lottery	97	500	22	619	745
Fundraising	993	1,145	272	2,410	2,153
Retail	1,017	845	329	2,191	2,124
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	2,107	2,490	623	5,220	5,022
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditure	8,879	4,860	1,715	15,454	14,716

ST BARNABAS HOSPICES (SUSSEX) LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Support cost allocation	Cost of generating funds £000	Charitable activities £000	2016 £000	2015 £000
Support staff costs	272	474	746	668
Premises, technology and other costs	351	618	969	1,005
	623	1,092	1,715	1,673

6. Trustees and key management personnel remuneration and expenses

None of the trustees (or any persons connected with them) received any remuneration during this or the previous year. One (2015 – one) trustee was reimbursed for travelling expenses of £344 (2015 - £827). Trustees' indemnity insurance of £1,592 (2015 - £1,592) is paid by the charity.

The total amount of employee remuneration and benefits received by key management personnel (defined as the senior management team) is £668,000, (2015 - £653,000).

7. Staff costs

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

	2016 No.	2015 No.
St Barnabas House	121	116
Chestnut Tree House	81	81
Education	3	2
Income generation	90	80
Governance	1	1
	<u>296</u>	<u>280</u>

The average number of employees above is based on full-time equivalents.

The average monthly head count was 388 (2015 - 356)

ST BARNABAS HOSPICES (SUSSEX) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

The number of higher paid employees was:

	2016 No.	2015 No.
In the band £60,001 - £70,000	4	4
In the band £70,001 - £80,000	3	3
In the band £80,001 - £90,000	-	-
In the band £90,001 - £100,000	-	-
In the band £100,001 - £110,000	1	1

The aggregate pension contributions made by the charity on behalf of higher paid staff was £74,798 (2015 - £70,211). The number of higher paid staff accruing benefits in defined contribution and defined benefit pension schemes was 7 and 1 respectively (2015 - 7 and 1).

Employment costs

	2016 £000	2015 £000
Wages and salaries	8,304	7,677
Social security costs	658	759
Other pension costs	663	668
	<u>9,625</u>	<u>9,104</u>

8. Net (expenditure)/income

Net (expenditure)/income is stated after charging:

	2016 £000	2015 £000
Depreciation of tangible fixed assets	1,082	1,293
(Loss) / Gain on disposal of investment assets	(1)	90
Operating lease rentals - land and building	333	351
Auditors' remuneration - audit fees	16	16
Auditors' remuneration - other services	<u>1</u>	<u>1</u>

ST BARNABAS HOSPICES (SUSSEX) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

9. Tangible fixed assets

	Freehold property shops £000	Freehold land and buildings £000	Leasehold property £000	Fixtures, fittings and equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 April 2015	495	13,015	5,297	4,379	519	23,705
Additions	-	-	21	25	-	46
Disposals	-	-	-	(679)	-	(679)
At 31 March 2016	495	13,015	5,318	3,725	519	23,072
Depreciation						
At 1 April 2015	19	1,403	1,930	2,304	265	5,921
Charge for the year	19	351	179	435	98	1,082
On disposals	-	-	-	(679)	-	(679)
At 31 March 2016	38	1,754	2,109	2,060	363	6,324
Net book value						
At 31 March 2016	<u>457</u>	<u>11,261</u>	<u>3,209</u>	<u>1,665</u>	<u>156</u>	<u>16,748</u>
At 31 March 2015	<u>476</u>	<u>11,612</u>	<u>3,367</u>	<u>2,075</u>	<u>254</u>	<u>17,784</u>

The Freehold property shops, consisting of units at Rustington, Wick and Ferring, were professionally valued in March 2014 by C G Spratt and Son Limited, estate agents, surveyors and valuers, on an open market basis at £125,000, £220,000 and £150,000 respectively and are recognised as deemed cost on transition to SORP 2015 (FRS 102). These assets are being depreciated from their valuation date. The historic cost of these shops at Rustington, Wick and Ferring is £45,000, £124,716 and £142,500 respectively.

In Leasehold property there is £3,162,000 NBV related to long leasehold property (i.e. 50+ years remaining at the balance sheet date), the remaining £47,000 NBV relates to short leasehold properties.

ST BARNABAS HOSPICES (SUSSEX) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

10. Fixed Asset Investments

Listed investments	2016 £000	2015 £000
Market value 1 April 2015	17,468	13,404
Disposals	(1,663)	(637)
Acquisitions	3,571	3,724
Revaluations	(1,012)	977
Market value 31 March 2016	<u>18,364</u>	<u>17,468</u>
Historic cost 31 March 2016	<u>15,593</u>	<u>13,494</u>

Investments in subsidiaries

	Country of registration or incorporation	Shares held Class	%
St Barnabas Hospice (Worthing) Projects Limited, co reg 3827427	England and Wales	Ordinary	100
St Barnabas Hospices (Sussex) Trading Limited, co reg 07157835	England and Wales	Ordinary	100

The aggregate value of capital and reserves and the results for these undertakings for the financial year are as follows:

	Turnover £000	Expenditure £000	Profit for the year £000	Capital and reserves £000
St Barnabas Hospice (Worthing) Projects Limited	0	(10)	10	0
St Barnabas Hospices (Sussex) Trading Limited	69	32	37	0

The profit of £37,378 (2015 - £35,415) was gift aided from St Barnabas Hospices (Sussex) Trading Limited to St Barnabas Hospices (Sussex) Limited.

11. Debtors

	2016 £000	2015 £000
Other debtors	164	158
Prepayments and accrued income	251	209
	<u>415</u>	<u>367</u>

ST BARNABAS HOSPICES (SUSSEX) LIMITED

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

12. Creditors:

Amounts falling due within one year

	2016 £000	2015 £000
Trade creditors	446	260
Amounts owed to group undertakings	-	148
Other taxation and social security	177	165
Other creditors	288	317
Accruals and deferred income	377	364
	<u>1,288</u>	<u>1,254</u>

13. Creditors:

Amounts falling due after more than one year

	2016 £000	2015 £000
Accrued pension costs	<u>309</u>	<u>462</u>

14. Statement of funds

	Brought forward £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (losses) £000	Carried forward £000
Designated funds						
Tangible fixed assets	17,567	-	(1,082)	94	-	16,579
Pension deficit	200	-	-	-	-	200
Legacy equalisation	1,950	-	-	-	-	1,950
CTH development	1,500	-	-	-	-	1,500
	<u>21,217</u>	<u>-</u>	<u>(1,082)</u>	<u>94</u>	<u>-</u>	<u>20,299</u>
Unrestricted funds						
General fund	13,689	11,666	(10,945)	363	(1)	14,772
Revaluation reserve	4,409	-	-	(457)	(1,012)	2,940
	<u>18,098</u>	<u>11,666</u>	<u>(10,945)</u>	<u>94</u>	<u>(1,013)</u>	<u>17,712</u>
Total unrestricted funds	<u>39,315</u>	<u>11,666</u>	<u>(12,027)</u>	<u>-</u>	<u>(1,013)</u>	<u>37,941</u>

Expenditure from the fixed assets designated fund represents the annual depreciation on the deemed cost of those assets. The transfer in from the General fund relates to the element of the depreciation charge in excess of that charged on the historic cost.

ST BARNABAS HOSPICES (SUSSEX) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Statement of funds (continued)

Restricted funds

	Brought forward £000	Income £000	Expenditure £000	Transfer in/(out) £000	Gains/ (losses) £000	Carried forward £000
Operating and equipment fund	224	1,156	(1,220)	-	-	160
Primary Care Trust grant - adult hospice	-	1,325	(1,325)	-	-	-
Department of Health - children's hospice	-	231	(231)	-	-	-
Contracted income	-	514	(514)	-	-	-
Hospice at home	-	37	(37)	-	-	-
Other grant funding – community nurses	-	100	(100)	-	-	-
	224	3,363	(3,427)	-	-	160
Total funds	39,539	15,029	(15,454)	-	(1,013)	38,101

The Trustees have designated funds in several areas:-

The tangible fixed assets fund represents charitable funds invested in operational fixed assets. The assets will be used throughout the time of activity of the Charity.

The pension deficit fund has been set aside towards the potential contingent costs associated with the Federated Flexiplan No 1 Pension Scheme (see note 17 for further information).

The Legacy Equalisation reserve represents receipts of legacies in any one year over and above 125% of the budget amount and will be used to make up any shortfall in the legacy budget in any future years.

The CTH Development fund represents funds set aside to finance the extension at the children's hospice. This extension is likely to occur within the next five years.

Restricted funds for the charity are split into four main areas:-

The adult and children's hospice operating and equipment funds represent donations made for specific equipment purchases and running costs in the hospices.

The PCT grant is provided to cover the operating costs of the adult hospice and the Department of Health grant is provided to cover operating costs and support capital projects in the children's hospice.

Coastal West Sussex CCG and West Sussex County Council provide contracted income for adults and children respectively at the relevant hospice.

The Hospice at Home fund represents specific donations towards this service.

Other grant funding of £100k was received for the provision of community nurses.

ST BARNABAS HOSPICES (SUSSEX) LIMITED

(A Company Limited by Guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

15. Analysis of net assets between funds

	Restricted funds 2016 £000	Unrestricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Tangible fixed assets	-	16,748	16,748	17,784
Fixed asset investments	-	18,364	18,364	17,468
Current assets	160	4,426	4,586	6,003
Creditors due within one year	-	(1,288)	(1,288)	(1,254)
Creditors due in more than one year	-	(309)	(309)	(462)
	<u>160</u>	<u>37,941</u>	<u>38,101</u>	<u>39,539</u>

16. Reconciliation of net expenditure to net cash flow from operating activities

	2016 £000	2015 £000
Net (expenditure)/income for year	(1,438)	752
Deduct: interest and dividend income shown in investing activities	(613)	(487)
<i>Adjust for non-cash items:</i>		
Depreciation of tangible fixed assets	1,082	1,293
Net (gains) / losses on investments	1,012	(977)
Loss / (profit) on disposal of investment properties	1	(91)
<i>Adjust for working capital:</i>		
Increase in stocks	-	1
Decrease/(Increase) in debtors	(48)	668
(Decrease)/Increase in creditors	(119)	(175)
Net cash inflow from operating activities	<u>(124)</u>	<u>984</u>

17. Pensions

Royal London Group Personal Pension Plan

This scheme is a defined contribution scheme, open to all employees under auto enrolment.

NHS Pension Scheme

The NHS Pension Scheme is an unfunded occupational scheme backed by the Exchequer, which is open to all NHS employees and employees of other approved organisations. The Scheme provides pensions, based on final salary, in varying circumstances for employees of participating employers. As such it is not possible for St Barnabas to identify its share of the assets and liabilities of the underlying scheme. The

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

Scheme receives contributions from employees and employers to defray the costs of pensions and other benefits.

As at 31 March 2011 (the latest date for which data is available) the liabilities of the Scheme were valued at £257.7 billion. As the NHS Pension Scheme is an unfunded scheme, these liabilities are underwritten by the Exchequer, which also funds the year on year difference between the Scheme's contribution income and the actuarially assessed growth in scheme liability, interest charges and other in-year increases in liability.

Federated Flexiplan No 1 Pension Scheme

The Federated Flexiplan No.1 ("the Plan") is a defined benefit pension scheme. However, because of the non-associated multi-employer nature of the Plan the Company is unable to identify its share of the underlying assets and liabilities of the Plan on a consistent and reasonable basis and therefore, as permitted by FRS 102, it accounts for the Plan as if it were a defined contribution scheme. As a result, the amount charged to the income and expenditure account represents the Company's contributions payable to the Plan in respect of the accounting period.

The Plan closed to further accrual in January 2010. An actuarial valuation at 31 March 2015 revealed a deficit of £4.9m. A recovery plan required the Company to contribute £152,320 until 31 March 2017, then contributions would be £121,565 per annum from 1st April 2017. This is for the Company's share of the liability.

The charity has accrued the pension deficit in the financial statements.

The next formal triennial actuarial valuation is due at 31 March 2018, this may result in a revised Recovery plan which in turn may change the amount the Company is required to contribute for its share of the deficit. An amount of £200k (2015 - £200k) has been designated towards potential future contributions (see note 14).

18. Commitments under operating leases

At 31 March 2016 the Charity had future minimum lease payments under non-cancellable operating leases as follows:

	Land & buildings	
	2016	2015
	£000	£000
Expiry date:		
Not later than 1 year	39	65
Later than 1 year and not later than 5 years	337	298
Later than 5 years	1,216	1,527
	<hr/>	<hr/>
	1,592	1,890

ST BARNABAS HOSPICES (SUSSEX) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

19. Related party transactions

Gift aid of £37,378 (2015: £35,416) was received from St Barnabas Hospices (Sussex) Trading Limited, a wholly owned subsidiary. At the balance sheet date the amount due from St Barnabas Hospices (Sussex) Limited was £1,467 (2015 - £1,751).

During the current and prior years, expenses were (credited) / recharged to St Barnabas Hospice (Worthing) Projects Limited, a wholly owned subsidiary, amounting to (£10,665) (2015 - £33). At the balance sheet date the amount due from/(to) St Barnabas Hospices (Sussex) Limited was £nil (2015 - £146,204).

20. Comparative SOFA by fund for the year ended 31 March 2015

	Restricted Funds 2015 £000	Unrestricted Funds 2015 £000	Total Funds 2015 £000
Income from:			
Donations and legacies	1,701	4,903	6,604
Other trading activities	1,235	6,023	7,258
Investment income	-	487	487
Other	-	52	52
Total income	2,936	11,465	14,401
Expenditure on:			
Raising funds	-	5,022	5,022
Charitable activities	3,061	6,633	9,694
Total expenditure	3,061	11,655	14,716
Net gains / (losses) on investments	-	977	977
Net gains on investment property	-	90	90
Net (expenditure)/income before transfers	(125)	877	752
Transfers	-	-	-
Net movement in funds for the year	(125)	877	752

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

21. First time adoption of FRS 102

The charity has adopted the SORP (FRS 102) for the first time in the year ended 31 March 2016.

The effect of transition from SORP (2005) to SORP (FRS 102) is outlined below.

a) Changes in accounting policies

Consequential changes in accounting policies resulting from adoption of SORP (FRS 102) were as follows:

All incoming resources are now included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received. Previously recognition was when it was virtually certain that income would be received.

b) Reconciliation of total charity funds / deficit

There were no adjustments to previously reported total charity funds at the date of transition or at the end of the comparative date to SORP (FRS 102).

c) Reconciliation of comparative period net income / expenditure

There were no adjustments to previously reported net income / expenditure in the comparative period.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

9. Tangible fixed assets

	Freehold property shops £000	Freehold land and buildings £000	Leasehold property £000	Fixtures, fittings and equipment £000	Motor vehicles £000	Total £000
Cost or valuation						
At 1 April 2015	495	13,015	5,297	4,379	519	23,705
Additions	-	-	21	25	-	46
Disposals	-	-	-	(679)	-	(679)
At 31 March 2016	495	13,015	5,318	3,725	519	23,072
Depreciation						
At 1 April 2015	19	1,403	1,930	2,304	265	5,921
Charge for the year	19	351	179	435	98	1,082
On disposals	-	-	-	(679)	-	(679)
At 31 March 2016	38	1,754	2,109	2,060	363	6,324
Net book value						
At 31 March 2016	<u>457</u>	<u>11,261</u>	<u>3,209</u>	<u>1,665</u>	<u>156</u>	<u>16,748</u>
At 31 March 2015	<u>476</u>	<u>11,612</u>	<u>3,367</u>	<u>2,075</u>	<u>254</u>	<u>17,784</u>

The Freehold property shops, consisting of units at Rustington, Wick and Ferring, were professionally valued in March 2014 by C G Spratt and Son Limited, estate agents, surveyors and valuers, on an open market basis at £125,000, £220,000 and £150,000 respectively and are recognised as deemed cost on transition to SORP 2015 (FRS 102). These assets are being depreciated from their valuation date. The historic cost of these shops at Rustington, Wick and Ferring is £45,000, £124,716 and £142,500 respectively.

In Leasehold property there is £3,162,000 NBV related to long leasehold property (i.e. 50+ years remaining at the balance sheet date), the remaining £47,000 NBV relates to short leasehold properties.

ST BARNABAS HOSPICES (SUSSEX) LIMITED

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

12. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Trade creditors	446	260
Amounts owed to group undertakings	-	148
Other taxation and social security	177	165
Other creditors	288	317
Accruals and deferred income	377	364
	<u>1,288</u>	<u>1,254</u>

13. Creditors: Amounts falling due after more than one year

	2016 £000	2015 £000
Accrued pension costs	<u>309</u>	<u>462</u>

14. Statement of funds

	Brought forward £000	Income £000	Expenditure £000	Transfers in/(out) £000	Gains/ (losses) £000	Carried forward £000
Designated funds						
Tangible fixed assets	17,567	-	(1,082)	94	-	16,579
Pension deficit	200	-	-	-	-	200
Legacy equalisation	1,950	-	-	-	-	1,950
CTH development	1,500	-	-	-	-	1,500
	<u>21,217</u>	<u>-</u>	<u>(1,082)</u>	<u>94</u>	<u>-</u>	<u>20,299</u>
Unrestricted funds						
General fund	13,689	11,666	(10,945)	363	(1)	14,772
Revaluation reserve	4,409	-	-	(457)	(1,012)	2,940
	<u>18,098</u>	<u>11,666</u>	<u>(10,945)</u>	<u>94</u>	<u>(1,013)</u>	<u>17,712</u>
Total unrestricted funds	<u>39,315</u>	<u>11,666</u>	<u>(12,027)</u>	<u>-</u>	<u>(1,013)</u>	<u>37,941</u>

Expenditure from the fixed assets designated fund represents the annual depreciation on the deemed cost of those assets. The transfer in from the General fund relates to the element of the depreciation charge in excess of that charged on the historic cost.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

15. Analysis of net assets between funds

	Restricted funds 2016 £000	Unrestricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Tangible fixed assets	-	16,748	16,748	17,784
Fixed asset investments	-	18,364	18,364	17,468
Current assets	160	4,426	4,586	6,003
Creditors due within one year	-	(1,288)	(1,288)	(1,254)
Creditors due in more than one year	-	(309)	(309)	(462)
	<u>160</u>	<u>37,941</u>	<u>38,101</u>	<u>39,539</u>

16. Reconciliation of net expenditure to net cash flow from operating activities

	2016 £000	2015 £000
Net (expenditure)/income for year	(1,438)	752
Deduct: interest and dividend income shown in investing activities	(613)	(487)
<i>Adjust for non-cash items:</i>		
Depreciation of tangible fixed assets	1,082	1,293
Net (gains) / losses on investments	1,012	(977)
Loss / (profit) on disposal of investment properties	1	(91)
<i>Adjust for working capital:</i>		
Increase in stocks	-	1
Decrease/(Increase) in debtors	(48)	668
(Decrease)/Increase in creditors	(119)	(175)
Net cash inflow from operating activities	<u>(124)</u>	<u>984</u>

17. Pensions

Royal London Group Personal Pension Plan

This scheme is a defined contribution scheme, open to all employees under auto enrolment.

NHS Pension Scheme

The NHS Pension Scheme is an unfunded occupational scheme backed by the Exchequer, which is open to all NHS employees and employees of other approved organisations. The Scheme provides pensions, based on final salary, in varying circumstances for employees of participating employers. As such it is not possible for St Barnabas to identify its share of the assets and liabilities of the underlying scheme. The

ST BARNABAS HOSPICES (SUSSEX) LIMITED
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016

19. Related party transactions

Gift aid of £37,378 (2015: £35,416) was received from St Barnabas Hospices (Sussex) Trading Limited, a wholly owned subsidiary. At the balance sheet date the amount due from St Barnabas Hospices (Sussex) Limited was £1,467 (2015 - £1,751).

During the current and prior years, expenses were (credited) / recharged to St Barnabas Hospice (Worthing) Projects Limited, a wholly owned subsidiary, amounting to (£10,665) (2015 - £33). At the balance sheet date the amount due from/(to) St Barnabas Hospices (Sussex) Limited was £nil (2015 - £146,204).

20. Comparative SOFA by fund for the year ended 31 March 2015

	Restricted Funds 2015 £000	Unrestricted Funds 2015 £000	Total Funds 2015 £000
Income from:			
Donations and legacies	1,701	4,903	6,604
Other trading activities	1,235	6,023	7,258
Investment income	-	487	487
Other	-	52	52
Total income	<u>2,936</u>	<u>11,465</u>	<u>14,401</u>
Expenditure on:			
Raising funds	-	5,022	5,022
Charitable activities	3,061	6,633	9,694
Total expenditure	<u>3,061</u>	<u>11,655</u>	<u>14,716</u>
Net gains / (losses) on investments	-	977	977
Net gains on investment property	-	90	90
Net (expenditure)/income before transfers	<u>(125)</u>	<u>877</u>	<u>752</u>
Transfers	-	-	-
Net movement in funds for the year	<u>(125)</u>	<u>877</u>	<u>752</u>



REPORT TO COUNCIL

Date: 10 April 2017
Prepared by: Rob Martin
Subject: Annual Investment Strategy 2017/2018
Ref:

Annual Investment Strategy 2017/2018

Summary

1. The Parish Council is required to annually review its Investment Strategy, under guidance issued by the Department for Communities and Local Government (DCLG) in March 2010. Angmering Parish Council undertook this for the first time in 2015/2016. It should be done every year and accepted by the full Council as part of the Annual Council meeting.
2. The draft Annual Investment Strategy 2017/2018 is attached at Appendix 1.

Background

3. The Guidance on Local Government Investments was issued by DCLG in March 2010 and it requires Local Authorities to approve and Annual Investment Strategy which is also to be made available to the public. This endorses the CIPFA Treasury Management in Public Services: Code of Practice requirement that a Treasury Management Strategy (for annual investment and borrowing) is to be approved before the start of each financial year.
4. The DCLG guidance lays this down as a requirement for Angmering Parish Council because it has accumulated funds of greater than £500,000. The requirements are slightly less onerous for smaller balances, but the expectation is that there will be a strategy in place even then.
5. The Council's funds are currently contained in a mixture of financial vehicles, including Lloyds Bank current & deposit accounts, Lloyds Bank Fixed Term Deposit (due to mature on 12 May 2017), CCLA Deposit Account and CCLA Property Investment Account.
6. A separate report details the proposals being made, including further information to back up the current assessment of options.

Current Position

7. The strategy adopted for 2016/2017 identified a number of options for the cash in hand, details of which are given below, which earned significant interest and dividends.
8. The major projects undertaken last year after the investment strategy was put in place put strain on the Councils liquidity, but the initial investments were largely speaking left as was envisaged a year ago.
9. The strategy adopted for 2016/2017 has yielded substantial interest and dividend, to the tune of approximately £10,000 in the year.
10. The outlook for 2017/2018, with continued downward pressure on interest rates and dividends will probably produce a lower benefit than last year, but a similar strategy would seem to be appropriate. This is exacerbated by the fact that the use of reserves during the year has reduced the balance available for investment.

AGENDA ITEM 13

11. The investment of £200,000 in the CCLA Property Development Fund was always seen as a longer-term, at least 2-year, investment following which it would be expected to deliver capital growth as well as dividend. The investment was converted into 67,764 shares at the April 2015 price per unit of £2.9514 per share (see attached Prices & Dividend Yields sheet attached). The value of the investment at any given time is given by the Net Asset Value line on that sheet which at the end of February 2016 was £2.9383 per share, but following the Brexit referendum in June 2016 this dropped to £2.8365, having recovered by February 2017 to £2.8736 making the total value £194,727.
12. The expectation is that the third year of investment will see this increase beyond the initial purchase price to give capital growth, which illustrates why this type of investment must always be seen as long-term. This must always be taken in the light of the uncertainties involved in Brexit, and a close eye being used on the possible effects closer to the time when it takes effect in March 2019.
13. The one change in expectation was that the potential investment in the CCLA Public Sector Deposit Fund continue to be restricted to just £25,000, although it is clear that this could have been drawn towards the year-end. This balance is on an instant access basis and it looks likely that further use would be made of the facility.

Recommendation

14. The attached strategy is recommended to the Parish Council for adoption.

ANNUAL INVESTMENT STRATEGY 2017/2018

1. This strategy has regard to the DCLG Guidance on Local Government Investments and CIPFA’s Treasury Management in Public Services: Code of Practice and Cross Sectoral Guidance Notes.
2. This Annual Investment Strategy states which investments the Council may use for prudent management of its treasury balances during the financial year.

Investment Objectives

3. All investments will be in Sterling.
4. The policy objective is the prudent investment of its treasury balances to achieve the maximum yield possible.
5. The investment priorities for the year are firstly the security of the reserves and secondly the liquidity of the investments.
6. Only when the security and liquidity are determined will reference be made to the Yield achieved from an investment.
7. The borrowing of money by the Parish Council purely to invest is not legal and this Council will not undertake such activities.

Investment Balances and Liquidity

8. The current cash flow forecasts for 2016/2017 indicate that the balances available for investment during the year will range from £400,000 to £540,000, showing a wider range than that for the previous year.
9. The Council has considered the current level of balances and estimated levels through the year and the required liquidity and its spending provisions. The Council believes that there is continued scope for some investments to be greater than one year, but are to restrict this to the CCLA Property Development Fund.
10. Surplus funds will be managed through the Lloyds Business Instant Access and Treasury accounts, which provide a secure, if very low, rate of interest.
11. Use will be made of the Lloyds fixed-term deposit accounts, with a maximum of one year fix, which will give a higher rate of interest but again will be secure.
12. Investment will also be made in the CCLA Public Sector Deposit Fund, again an instant access facility with a low rate of interest.
13. Further Investment will be made in the CCLA Local Authorities’ Property Fund, provided it retains the current AAA_{mmf} Fitch rating. This provides access when liquidity is required, but with an expectation of the investment being retained for two years.
14. The detail of the various amounts within which the investments will be made are as follows:-

Account/Investment Fund	Amount in Investment £
CCLA Local Authorities’ Property Fund (Continuation)	200,000
Lloyds Bank 12 Month Deposit	100,000
CCLA Public Sector Deposit Fund	25,000
Lloyds Bank Deposit Account	Balancing Amount estimated to be in range 0 to 50,000
Lloyds Bank Current Account	20,000

Risk Assessment

15. The Council needs to adopt a prudent approach to investments.
16. The DCLG guidance indicates that the Council needs a SLY policy, firstly concentrating on Security, secondly on Liquidity and thirdly on Yield, in that order. This Parish Council will adopt that approach.
17. Only two investment organisations are included in the strategy, with one being a High Street bank and the other a well-respected property investment fund. Lloyds Bank has a Moodies A rating and, whilst this continues to be the case no further action needs to be taken. Investment of this nature will be allowed with any such bank with a similar rating.
18. CCLA has an AAA_{mmf} Fitch rating, which will be monitored over time. If the rating falls below this level then the continuation of investments in the product will be reviewed and reported back to the Council.
19. The unpredictability and uncertainties in investments made in the money market, stocks and shares are too high for investment by the Parish Council and these will not feature, as a result.
20. The security, liquidity and yield of investments made will be monitored by the council and reports prepared by the Clerk/RFO periodically. If change is needed, then a revised strategy will be adopted during the financial year.

Reporting

21. The Clerk/RFO will report to the Council the performance of the investments at the year-end, as a minimum.

ANGMERING PARISH COUNCIL

Balances Outstanding as at: 31-Mar-17

	£	£
Long Term Investments		
Consolidated Stock		96.00
Bank Accounts		
Lloyds Bank Business Account	19,096.17	
Lloyds Bank 12-month Deposit Account	150,000.00	
Lloyds Bank Current Account	60.74	
CCLA Local Authorities' Property Fund	200,000.00	
CCLA Public Sector Deposit Account	25,000.00	
	394,156.91	
Petty Cash Imprest Account	114.64	
TOTAL BANK BALANCES AVAILABLE		394,271.55
Public Works Loan Board		
Outstanding Debt - Office		-