

# **COMPASSION IN DYING**

**(A company limited by guarantee)**

## **Trustees Annual Report and Financial Statements**

**For the year ending 31 December 2009**

**Registered Charity Number: 1120203**

**Company Number: 05856324**

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# TRUSTEES' ANNUAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

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## Legal and Administrative Information

Name of charity:	Compassion in Dying
Legal form:	Charitable company (limited by guarantee)
Registered Charity Number:	1120203
Company Number:	05856324
Registered Office:	181 Oxford Street, London, W1D 2JT
Governing document:	Memorandum and Articles of Association (last amended 2nd June 2007).
Board of Trustees:	<p>The Trustees (who are also the Directors of the Company) during the year were as follows.</p> <p>Rowena Ironside (Chair) Professor Gareth Morgan (appointed 26 January 2009) (Treasurer) Dr. Guy Brown Professor Nick Moore (appointed 26 October 2009) Karen Sanders Marion Schoenfeld Dr. Suzanne Shale (appointed 24 April 2009) Professor Raymond Tallis</p> <p>All Trustees above served for the whole year, except where indicated. All the above Trustees remained in office at the date of approval of this Report.</p>
Company Secretary:	Sarah Wootton
Independent Examiner:	Murtaza Jessa FCA haysmacintyre Fairfax House, 15 Fulwood Place, London WC1V 6AY
Bankers:	The Co-Operative Bank, 4 <sup>th</sup> Floor, 9 Prescott Street, London E1 8BE

## Objects of the Charity

The objects of the charity are for the benefit of the public and by all exclusively charitable means the relief of suffering and the advancement of education, and in particular:

- (1) to research all aspects of end of life issues including the needs and views of people connected with or affected by end of life issues and to advance the development of better end of life care, including palliative care;
- (2) to provide advice to the general public and to health care professionals as regards end of life options, including health care options;
- (3) to provide advocacy, mediation and dispute resolution services in connection with end of life issues, to supply legally recognized guidance, information and documents to the public, including health care professionals, in connection with end of life options and in particular living wills, advance statements and advance directives and to provide information, advice and guidance both to the public and to health care professionals in connection with the above.

## Activities of the Charity during the Year

During 2009 the charity has continued to build its resources and capabilities, has responded to several consultations and has started to deliver online services to the public. The governance and strategic leadership of the charity was strengthened by the addition of three new Trustees during the year, including a Treasurer.

### Advice Services

On 1<sup>st</sup> December 2009, the charity took over the provision of Advance Decisions from the organisation Dignity in Dying (see page 4). A new website was created that allows the public to download revised Advance Decision packs free of charge, and members of the public are also able to order free hard copies to be sent to them by post. The website also provides access to general information about Advance Decisions, the Mental Capacity Act and Lasting Powers of Attorney, along with the publications 'Advance Decisions Toolkit for Health Professionals' and 'Your Rights at the End of Life'.

Towards the end of the year, the charity started fundraising for an End of Life Care Advice Line, which will provide advice and information about rights and options for care at the end of life to patients, carers, health and social care professionals and legal professionals. The need for the advice line was highlighted by the numerous, diverse requests for advice and information handled by Dignity in Dying and based on the number of calls and letters received in the past, it is estimated that it would handle 22,000 calls in its first three years of operation.

### Research

Work has continued during the year to identify areas in which research could usefully be undertaken and the Trustees have determined that the next step should be a systematic review of existing research in the area of patient decision making and choice in end-of-life care. This project will be planned and executed in 2010.

### Policy Work

The charity responded to a number of consultations during the year including the GMC Consultation paper on End of Life Treatment & Care; the Government Green Paper consultation on the future of social care ('Shaping the Future of Care Together'), and the consultation on Fair Access to Social Care. These responses are available on the charity's website.

## **Public Benefit Statement**

The Trustees have had regard to the Charity Commission's guidance on the public benefit requirement under the Charities Act 2006.

Whilst the work of the charity remains at an early stage, the charity has advanced its objects for the public benefit by the means described above. By 2010 it is anticipated that the charity will be fully operational, delivering a wider range of research, advice work and advocacy for the benefit of many. Ultimately the trustees anticipate that the work of the charity will benefit all those in the UK affected by end of life issues. It is anticipated that all advice, support, and research results will be available to the public without charge.

## **Structure, Governance and Management**

### **Origins and Related Party**

The charity Compassion in Dying (CID) was founded by the non-charitable campaigning organisation Dignity and Choice in Dying (known as "Dignity in Dying") (DID).

Dignity in Dying and Compassion in Dying are partner organisations, both concerned with the welfare of individuals at the end of their lives, but with different aims. Compassion in Dying was established to advance the charitable objects set out above. It was founded in 2006, and became a registered charity in 2007. The charity provides education, advice and support on end of life issues, and commissions and publishes research on matters of end of life care.

The two organisations have separate boards which operate independently but they share staff and premises.

The board members (trustees) of CID have put arrangements in place to ensure that all funds received by CID are spent solely on the charitable work of CID, with no inadvertent subsidy to DID.

### **Board and Committees**

The Trustees met four times in 2009, with additional liaison by e-mail between meetings. A number of short term committees were established for specific purposes.

Following the appointment of staff to the charity, as explained below, the Trustees agreed to delegate certain operational matters to staff.

### **Staffing and Office Provision**

In the previous year, DID provided some staff time to support CID without seeking any reimbursement, but from the present year (2009) the trustees considered that the charity could only carry out its work effectively with staff directly accountable to the CID board. Following negotiations between the two organisations and the staff affected, it was agreed that nine staff formerly employed by DID alone would move to contracts of employment with joint employment by DID and CID, allowing them to devote an average of 15% of their time on average to the work of CID.

The charity shares an office with DID. Office overheads incurred by DID have been recharged to CID pro-rata in proportion to staff time spent. However, expenses such as stationery and printing incurred directly on behalf of CID are charged directly to the charity.

The trustees consider that this staffing and office arrangement has proved effective and has enabled the charity to achieve a great deal more this year, both in specific charitable activities and in developing funding. However, by the end of the year it became clear that CID would benefit from having one or two staff working exclusively for the charity and shortly after year end the trustees began arrangements to appoint two members of staff on that basis.

## **Financial Review and Principal Policies Adopted**

### **Review of the Year's Incoming Resources and Resources Expended**

This was the first year of the charity becoming fully operational and taking on obligations to staff. Total resources expended in 2009 were £102,014 (as compared to £8,220 for the 18 months to 31 Dec 2008).

Within the total resources expended, £79,629 (78%) represented charitable expenditure (as defined by the Charities SORP) which the Trustees consider to be very encouraging, given that a significant investment in fundraising work has been needed at this early stage in the charity's life.

Total incoming resources were £172,798 (2008: 23,425). The majority of this was from legacies, but the charity is also now attracting a regular flow of donations from individuals and from grant-making trusts.

This gave a net increase in funds of £70,784 which will allow the Trustees to invest further in the coming year in the charity's core activities undertaken for public benefit, as described above.

### **Investment Policy**

The Trustees consider that the charity does not, as yet, hold sufficient cash to justify any long term investments.

### **Reserves Policy**

The Trustees discussed the charity's reserves requirements on a number of occasions, and are satisfied that the charity has sufficient reserves to enable it to fulfil its immediate commitments.

At year end the charity held £85,989 in unrestricted funds (2008: £15,025). Whilst this represents an encouraging strengthening of the charity's reserves, equivalent to around 10 months' expenditure at current levels, the whole of this reserves figure was attributable to a legacy debtor yet to be received at year end.

However, as this was the first year in which the charity began normal operations, a regular cycle of income and expenditure has yet to be established. The Trustees therefore considered that it was still too early to formulate a long term reserves policy although they will continue to review the charity's reserves position on a regular basis.

### **Grant-making Policy**

CID is not primarily a grant making charity, but the Trustees may agree research grants to universities etc if they consider it effective in advancing the charity's objects. However, no grants were made in the current year.

## Responsibilities of The Board of Trustees

The Trustees (who are also directors of Compassion in Dying for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the the Statement of Recommended Practice "Accounting and Reporting by Charities" (the Charities SORP);
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This Trustee's Report is also prepared in accordance with the requirements of the Charities (Accounts and Reports) Regulations 2008 and the relevant sections of the Charities SORP, although the Trustees have made use of some of the simplifications permitted in the regulations for charities below the audit threshold.

## Approval

This report was approved by the Trustees on 13 April 2010 and is signed on their behalf by:

*R Ironside*

*Gareth Morgan*

R Ironside  
Chair

G Morgan  
Treasurer

# INDEPENDENT EXAMINER'S REPORT

## TO THE TRUSTEES OF COMPASSION IN DYING

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I report on the financial statements of the Charity for the year ended 31 December 2009 which comprise the Statement of Financial Activities, Balance Sheet, with the related notes as set out on pages 8 to 14.

This report is made solely to the Charity's Trustees, as a body, in accordance with section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. My work has been undertaken so that I might state to the Charity's Trustees those matters I am required to state to them in an Independent Examiner's report and for no other purpose. To the fullest extent permitted by law, I do not accept or assume responsibility to anyone other than the Society and the Charity's Trustees as a body, for my work, for this report, or for the opinions I have formed.

### RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND EXAMINER

The Trustees, who are also the directors of the company for the purposes of company law, are responsible for the preparation of the financial statements. The Trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the Act) and that an independent examination is needed. Having satisfied myself that the Society is not subject to audit under charity or company law and is eligible for independent examination, it is my responsibility to:

- examine the financial statements under section 43 of the Act;
- follow the procedures laid down in the general Directions given by the Charity Commission under section 43(7)(b) of the Act; and
- state whether particular matters have come to my attention.

### BASIS OF INDEPENDENT EXAMINER'S REPORT

My examination was carried out in accordance with the general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the Society and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeking explanations from you as Trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the financial statements present a 'true and fair view' and the report is limited to those matters set out in the statement below.

### INDEPENDENT EXAMINER'S STATEMENT

In connection with my examination, no matter has come to my attention:

- (1) which gives me reasonable cause to believe that in any material respect the requirements
  - to keep accounting records in accordance with section 386 of the Companies Act 2006; and to prepare financial statements which accord with the accounting records and comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met; or
- (2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Signed: **M Jessa**

Murtaza Jessa FCA  
haysmacintyre  
Chartered Accountants

Date: 16 April 2010

Fairfax House  
15 Fulwood Place  
London, WC1 6AY

# ANNUAL ACCOUNTS

FOR THE YEAR ENDING 31 DECEMBER 2009

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## Statement of Financial Activities for the year ending 31 December 2009

	<i>Note</i>	Unrestricted Funds 2009	<b>Total Funds 2009</b>	<i>Total Funds 2008 (Note 1(e))</i>
		£	£	£
<b>Incoming Resources</b>				
Voluntary Income: Donations		17,082	<b>17,082</b>	13,625
Voluntary Income: Legacies		155,716	<b>155,716</b>	9,800
<hr/>				
TOTAL INCOMING RESOURCES		172,798	<b>172,798</b>	23,425
<b>Resources Expended</b>				
Cost of Generating Funds	2	20,670	<b>20,670</b>	65
Charitable Expenditure:				
Policy Work	3	27,048	<b>27,048</b>	-
Advice Services	4	19,192	<b>19,192</b>	-
Research	5	7,411	<b>7,411</b>	6,247
Support Costs	6	25,978	<b>25,978</b>	801
Governance Costs	7	1,715	<b>1,715</b>	1,107
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TOTAL RESOURCES EXPENDED		102,014	<b>102,014</b>	8,220
NET MOVEMENT IN FUNDS		70,784	<b>70,784</b>	15,205
Fund Balances Brought Forward 1.12.09		15,205	<b>15,205</b>	-
<hr/>				
<b>Fund Balances Carried Forward 31.12.09</b>		85,989	<b>85,989</b>	15,205

The notes on pages 10 to 14 form part of these accounts.

## Balance Sheet at 31 December 2009

	<i>Note</i>	<b>31 Dec 2009</b> £	<i>31 Dec 2008</i> £
<b>Assets and Liabilities</b>	13		
Current Assets			
Debtors	10	<b>150,484</b>	-
Cash at Bank		<b>23,194</b>	<i>25,384</i>
Total Current Assets		<b>173,678</b>	<i>25,384</i>
Less: Creditors due within 12 months	11	<b>(87,689)</b>	<i>(10,179)</i>
Net Current Assets		<b>85,989</b>	<i>15,205</i>
<b>NET ASSETS</b>		<b>85,989</b>	<i>15,205</i>
<b>Represented by Funds</b>			
Unrestricted Funds		<b>85,989</b>	<i>15,205</i>
<b>TOTAL FUNDS</b>		<b>85,989</b>	<i>15,205</i>

The notes on pages 10 to 14 form part of these accounts.

The Trustees consider that the Charitable Company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act.

The Trustees acknowledge their responsibilities for ensuring that the Charity keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the Society as at 31 December 2009 and of its surplus for the year then ended in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to the financial statements so far as applicable to the Charitable Company.

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

These accounts were approved by the Trustees on 13 April 2010 and signed on their behalf by:

***R Ironside***

***Gareth Morgan***

R Ironside  
Chair

G Morgan  
Treasurer

# Notes to the Accounts

## 1. Accounting Policies

The principal accounting policies are summarised below.

### (a) Basis of accounting

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable accounting standards – in particular the Financial Reporting Standard for Smaller Entities (effective January 2007) and the Statement of Recommended Practice (SORP), "Accounting and Reporting by Charities" (SORP 2005). The accounts are prepared on an accruals basis, following the historical cost convention.

As the income of the charity is below the audit threshold, the Trustees have made use of some of the simplifications permitted by Appendix 5 of SORP 2005.

### (b) Fund Accounting

The trustees have followed the principles of fund accounting as required by SORP 2005. All funds are unrestricted at the present time.

### (c) Incoming Resources

The incoming resources shown in the Statement of Financial Activities (SOFA) comprise legacies and donations. All incoming resources were unrestricted in nature. There are no other categories of income for the current year.

Donations are recognised at the date of receipt. Where donations are made under gift aid, the tax recoverable (and gift aid transitional relief supplement) are included in incoming resources and treated as receivable at the same date as the donation.

Legacies are treated as receivable when the relevant conditions are met as indicated in the Charities SORP – i.e. as soon as there is reasonable evidence of entitlement, certainty of receipt and value.

### (d) Resources Expended

Expenditure has been recognised on an accruals basis.

Where the expenditure includes value added tax (VAT) this has been allocated to the expenditure category to which it relates

Resources expended are allocated to the headings and activities on the SOFA on a functional basis, as indicated by subsequent notes. Expenditure whose function was clearly related to a specific functional heading is charged 100% to that heading. Staff costs and office overheads are apportioned between the headings based on the roles of specific staff and estimates of time spent on different functions and indicated in note 9.

Staff time on support for charitable activities (in particular time related to financial administration) is allocated to the heading Support Costs within "Charitable Expenditure".

### (e) Comparative Figures

The previous accounting period covered the 18 months 1 July 2007 – 31 December 2008, and prior year figures on the Statement of Financial Activities thus relate to this 18 month period.

## 2. Cost of Generating Funds

	2009	2008
	£	£
Staff Costs (Note 9)	11,513	-
Office Overheads (Note 9)	5,360	-
Freelance Fundraising Costs and Meetings	3,797	65
<b>Total Cost of Generating Funds</b>	<b>20,670</b>	<b>65</b>

## 3. Charitable Expenditure: Policy Work

This comprises purely the staff costs and overheads as shown against Policy Work in note 9.

## 4. Charitable Expenditure: Advice Services

This relates to the provision of Advance Decisions including the staff time for development of materials, printing costs and web costs to make the materials available online, and a share of office costs in proportion to the staff time.

	2009	2008
	£	£
Staff Costs (Note 9)	8,658	-
Office Overheads (Note 9)	4,020	-
Printing	5,205	-
Web Design	1,171	-
IT Expenses – Web Support	138	-
<b>Total Charitable Expenditure: Advice</b>	<b>19,192</b>	<b>-</b>

## 5. Charitable Expenditure: Research

Research expenditure includes research commissioned from third parties, research undertaken directly by staff, and staff time spent on planning of future research, together with a share of office costs in proportion to the staff time.

	2009	2008
	£	£
Staff Costs (Note 9)	2,959	-
Office Overheads (Note 9)	1,340	-
Direct Research Costs (materials etc)	2,212	-
Freelance Research Services	900	372
External Research Projects Commissioned	-	5,875
<b>Total Charitable Expenditure: Research</b>	<b>7,411</b>	<b>6,247</b>

## 6. Charitable Expenditure: Support Costs

	2009	2008
	£	£
Staff Costs (Note 9)	15,815	-
Office Overheads (Note 9)	7,503	-
Employer's Liability Insurance	461	-
Staff Training & Development	345	-
Staff Travel & Accommodation	304	-
Domain Registration & Library Resources	-	416
Subscriptions to External Organisations	426	-
Stationery & Postage	1,051	344
Statutory Fees (Companies House)	16	-
Bank Charges	57	41
<b>Total Charitable Expenditure: Support</b>	<b>25,978</b>	<b>801</b>

## 7. Governance Costs and Independent Examination

Costs applicable to Governance of the Charity (as defined by the Charities SORP) were as follows.

	2009	2008
	£	£
Trustees' Travel Expenses for three trustees (2008: three)	642	107
Refreshments at Trustees Meeting	16	-
Independent Examination Fee	1,058	1,000
<b>Total Governance Costs</b>	<b>1,715</b>	<b>1,107</b>

No other services were provided to the charity by the independent examiner or his firm.

No remuneration was paid to any trustee.

Some trustees made donations to the charity but apart from this there were no other transactions with trustees or connected persons.

## 8. Staff Costs and Numbers

During the year the charity employed 9 staff (2008: nil). All of these worked part time for the charity (on average working 15% for the charity, with the remainder of their time working for the partner organisation DID, as explained in the Trustees' Report).

The total staffing thus amounted to 1.35 full-time equivalent posts (2008: nil).

Total staff costs were as follows.

	2009	2008
	£	£
Salaries	50,628	-
Employer's National Insurance	4,538	-
Pension Contributions	2,252	-
<b>Total Staff Costs</b>	<b>57,418</b>	<b>0</b>

## 9. Allocation of Staff Costs and Office Overheads

In the current year, staff costs have been allocated between the various headings on the SOFA as follows, based on allocation of staff time as explained in note 1(d). Office overheads have been allocated on the same proportions. (Both figures are nil for 2008.)

	Salary Costs 2009 £	Office Overheads 2009 £
Cost of Generating Funds	11,513	5,360
Charitable Expenditure: Policy Work	18,473	8,575
Charitable Expenditure: Advice Services	8,658	4,020
Charitable Expenditure: Research	2,959	1,340
Charitable Expenditure: Support Costs	15,815	7,503
<b>Totals</b>	<b>57,418</b>	<b>26,798</b>

## 10. Debtors

	31.12.2009 £	31.12.2008 £
Legacy receivable	150,000	-
Gift aid tax and supplement recoverable	94	-
Prepayments	390	-
<b>Total debtors</b>	<b>150,484</b>	<b>0</b>

## 11. Creditors

	31.12.2009 £	31.12.2008 £
Miscellaneous creditors	1,161	-
Loan facility from Dignity in Dying ( <i>note 12</i> )	85,470	9,179
Independent examination fee payable	1,058	1,000
<b>Total creditors</b>	<b>87,689</b>	<b>10,179</b>

## 12. Loan Facility

The charity has benefited from an interest-free loan facility from the charity's partner organisation, Dignity and Choice in Dying (known as Dignity in Dying or DID).

The charity has appointed DID at its payroll agent, and DID has agreed to accept reimbursement of the CID share of salary costs by means of a single payment after year end. Likewise office costs and some other minor expenses are met by DID in the first instance and recharged to the charity.

The amount outstanding at year end appears as a liability on the Balance Sheet.

## 13. Fixed Assets, Depreciation and Stock

The charity has not to date acquired fixed assets and hence there is no depreciation charge.

Although the charity holds a stock of printed Advance Decisions at 31.12.2009, these are made available to members of the public at no cost (a donation is invited, but this is completely optional). Accordingly, they are considered to have a net realisable value of nil and no provision for stock is therefore included on the Balance Sheet.

#### **14. Taxation**

Compassion in Dying is a registered charity and all income was received for charitable purposes. The charity is not therefore liable to tax on any of its income.

#### **15. Related Party**

As explained in the Trustees' Report, the charity works closely with the partner organisation Dignity in Dying (DID). In particular, CID shares office accommodation with DID, and DID acts as the charity's payroll agent. DID has provided a loan facility to the charity as disclosed in note 12.

Three of the eight trustees of Compassion in Dying as at the date of this Report are also board members of Dignity in Dying. However, the two organisations have separate treasurers and financial transactions between the organisations are negotiated on an arms' length basis.