

Company number: 05856324

Charity Number: 1120203

Compassion in Dying

Report and financial statements

For the year ended 31 December 2015

Compassion in Dying

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For the year ended 31 December 2015

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Compassion in Dying

Reference and administrative information

For the year ended 31 December 2015

Company number 05856324

Charity number 1120203

Registered office and operational address 181 Oxford Street
London
W1D 2JT

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Victoria Butler-Cole	Chair
Nicholas Chalmers	Treasurer
Lesley Hall	Resigned 15 October 2015
Dr Helen Jamison	
Dr Richard Scheffer	
Niccola Swan	Deputy Chair elected 18 May 2015
Karen Sumpter	Appointed 23 May 2016

Key management personnel Sarah Wootton Chief Executive and Company Secretary
Davina Hehir
David Pearce
Peter Bullock

Bankers Co-Operative Bank
PO Box 250
Skelmersdale
WN8 6WT

Auditors Sayer Vincent LLP
Chartered Accountants and Statutory Auditors
Invicta House
108-114 Golden Lane
LONDON
EC1Y 0TL

Compassion in Dying

Trustees' annual report

For the year ended 31 December 2015

The trustees present their report and the audited financial statements for the year ended 31 December 2015.

Reference and administrative information set out on page 1 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

Compassion in Dying is a national charity that supports people at the end of life to have what they consider to be a good death by providing information and support around their rights and choices. We are the leading provider of free Advance Decisions in the UK and we also conduct and review research into rights and choices in end-of-life care.

Our vision is a world in which each individual gets the end-of-life care that is right for them. We believe everyone should be aware of their legal rights and choices when making decisions about their treatment, including how to plan their treatment in advance in a legally binding way. This means:

- access to expert information;
- support to make choices and to make your preferences known; and
- care that meets your needs as an individual.

It is our mission to raise awareness of people's legal rights and choices when decisions are being made about their care and treatment – both when they do and when they do not have capacity. We support people to plan *their way* to die well. We do this by:

- providing individuals, carers and professionals with free information about their rights and choices. This includes information and support to make a legally binding Advance Decision and guidance on making a Health and Welfare Lasting Power of Attorney (LPA);
- delivering services which support people to ensure their wishes can be respected, including:
 - an information line
 - one-to-one support
 - training for professionals
 - free factsheets and publications
 - a free online planning tool
- conducting and reviewing relevant research into rights and choices in end-of-life care; and
- putting pressure on Government and other policy makers to prioritise patient choice at the end of life

Compassion in Dying

Trustees' annual report

For the year ended 31 December 2015

The trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved, and the outcomes of its work in the reporting period. The trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

The trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

Strategic report

Achievements and performance

The charity's main activities and those it tries to help are described below. All its charitable activities focus on supporting people at the end of life to have what they consider to be a good death and are undertaken to further Compassion in Dying's charitable purposes for the public benefit.

2015 was a year of great progress and expansion for Compassion in Dying, which included entering into the second year of the *My Life, My Decision* project in partnership with seven local Age UKs and funded by the Big Lottery Fund. Interim learning and case study examples from the *My Life, My Decision* project informed the charity's policy responses to the Law Commission (on the Mental Capacity Act), the All Party Parliamentary Group on Dementia, Public Health England (on proposed palliative care data collection), the London Assembly (on end-of-life care in London), the Care Quality Commission (on end of life care), and the National Institute of Health and Care Excellence (on Motor Neurone Disease).

Analysis of polling Compassion in Dying commissioned for its report *Plan Well, Die Well* found that people who record their wishes for end of life are 41% more likely to have a good death, and that recording these wishes could reduce avoidable hospital admissions at the end of life.

In 2015 our Information Line saw a 39% increase in the number of contacts compared to 2014, and a 56% increase in the number of publications sent out. On average the service received over 335 contacts per month.

The charity achieved the following specific achievements for its beneficiaries during 2015:

Information Strategy

- We achieved Information Standard accreditation in March 2015 demonstrating the quality of our information materials for the public.
- We created a new publication, *Starting the Conversation* based on feedback from our service users. A new design style featuring illustrations was developed for this publication to match the tone of the content. We developed and published *Making and implementing Advance Decisions: A toolkit for healthcare professionals* for health and social care professionals.

Compassion in Dying

Trustees' annual report

For the year ended 31 December 2015

- Our online Advance Decision and Advance Statement *mydecisions.org.uk* was completed for formal launch in January 2016. The tool was developed with an expert panel and in consultation with over 300 service users and includes new scenarios and intuitive guidance to make the process straightforward and easy to use.

Training and outreach

In the first year of *My Life, My Decision* (MLMD) (to July 2015) we:

- provided training and awareness sessions to 5898 people. Across the seven delivery areas over 400 clients received 1–2–1 support who made over 150 planning tools with our support.
- developed five modules of training covering *An Introduction to Planning Ahead, Advance Decisions and Advance Statements in Depth, Lasting Power of Attorney for Health and Welfare in Depth, Becoming a Volunteer* and *Starting the Conversation*.
- developed a standalone Advance Statement template with the Information Team based on service user feedback. Work started on planning tools and approaches with Jewish Care, Stonewall and a Somali group.

Partnerships and influencing

- A joint publication was published with the Progressive Supranuclear Palsy Association, and Compassion in Dying services were signposted to a Prostate Cancer UK publication. Work started on a joint publication in partnership with Mind.
- Partnerships with seven MLMD delivery partner Age UKs and commissioned research from the Woolf Institute and International Longevity Centre UK.
- CID was a member of the Social Care Institute for Excellence expert panel tasked with reviewing Mental Capacity Act materials for health and social care professionals.
- The MLMD project and CID evidence more generally were favourably cited in the Commons Health Select Committee's report into end-of-life care
- Written and oral evidence were provided to the Northern Ireland Mental Capacity Bill Committee

Beneficiaries of our services

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

The charity is now actively advancing its objects for the public benefit by the means described above. Compassion in Dying is delivering a wide range of services for the benefit of many.

The potential beneficiaries of the charity include all those in the UK affected by end-of-life issues. The trustees have agreed that all information, support, and research results will be made available to the public without charge.

Compassion in Dying

Trustees' annual report

For the year ended 31 December 2015

Financial review

This was the eighth year of the charity being operational and taking on obligations to staff. Both grant income and legacies are up on the previous year, contributing to the total voluntary income received of £774,000 against a prior year result of £526,000.

Of the total received, £252,000 was unrestricted including a further £150,000 from the Bernard Lewis Family Charitable Trust. Receipts at the end of the year included £150,000 from this trust, intended for use in 2016 and have as a result, been deferred. Income during the year also included £2,000 of bank interest.

The remaining £522,000 related to donations for restricted funds for various projects:

- The Information Line received £10,000 from the Nicolas Stacey Society Ltd, £20,000 from the Swire Trust and £63,000 from the Bernard Lewis Foundation.
- The *My Life, My Decision* Project received £429,000 from the Big Lottery Silver Dreams Fund as part of a funded project running to the end of October 2016.

Total resources expended in 2015 were £823,000 (2014:£622,000) of which £700,000 was spent directly on restricted activities namely the *My Life, My Decision* Project (£548,000) and the Information Line and Information Development (£152,000) (2014:89,000). Information Development was part funded from reserves as agreed by the board in order to expand the offerings available.

Within the total resources expended, £780,000– 95% (2014– 96%) represented expenditure on charitable activities (as defined by the Charities SORP).

Total incoming resources of £776,000 and resources expended of £823,000 gave a net decrease in funds of £47,000, but still leaving a strong balance sheet position at year–end with cash balances of £697,000. At the year–end, £44,000 was due to Dignity in Dying for staff resource and accommodation overheads, relating to November and December.

Principal risks and uncertainties

There is a risk register which is kept under review by the Company Secretary and trustees and is formally approved at least annually. The major risks that have been identified that are faced by Compassion in Dying are:

- There are uncertainties around funding. The strategy of employing fundraising consultants has helped and this line of funding will continue to be pursued. New lines of income are also being looked into including providing training and the sale of publications.
- The vulnerability of ICT systems and the problems caused by loss of data. This has been countered by moving all IT systems on to the Cloud. There are also daily off site back-ups and regular updating of virus software.
- There is uncertainty relating to moving premises. A sub Group of the Treasurer, CEO and Governance Officer are considering the options available.

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Trustees' annual report

For the year ended 31 December 2015

- Staff well-being is also extremely important in order to retain staff, as end of life is a challenging subject matter and can increase the potential for staff to feel under pressure.
- In order to counter these pressures good line management and direct report relationships, together with regular 1-1 meetings are encouraged.

Remuneration Policy

Compassion in Dying aims to maintain competitiveness of pay for its employees, while also controlling pay bill costs within set parameters, including affordability. Equally, the organisation wants to provide employees with a fair and, as far as possible, transparent process. There is a set pay scale with grade descriptors, which set out the behaviours, skills and abilities expected of staff at each grade.

At the absolute discretion of the Board, and based on the finances of the organisation and approved by the Finance & Audit Committee, there will be an annual cost of living increase for employees. This is likely to be recommended based on the Consumer Price Index.

Reserves policy and going concern

The Trustees have 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 £509,828 in unrestricted funds (2014: £551,000) and £7,197 in restricted funds (2014: £13,000).

The Trustees believe that current reserves are more than sufficient at this moment in time, and have agreed that so long as the unrestricted reserves do not fall below £50,000, this should be sufficient to cope with immediate demands.

Plans for the future

Compassion in Dying has an ambitious programme for the future including:

- Expanding the reach of the Information Service and the range of information and support it provides
- Expanding our training and outreach for healthcare professionals and others who interact with individuals preparing for the end of life or a potential loss of capacity
- Expanding our partnership and influencing work, including around research and policy, so more organisations place patient-orientated decision making at the heart of their approach
- Seeking to secure funding to maintain and develop our services.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 23 June and registered as a charity on 23 July 2007.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 8 to the accounts.

Appointment of trustees

Compassion in Dying has a policy of identifying skills gaps on its board before recruiting new trustees. We continue to work to build a stronger board with a broad skills base covering healthcare, legal and commercial expertise.

Potential new trustees are interviewed by the Chair, the Chief Executive and the HR and Governance Officer. Recommended candidates are considered by the board as a whole and are appointed by approval of a simple majority of the trustees. All trustees are members of the charity for Companies House purposes.

Trustee induction and training

Newly appointed trustees undergo a comprehensive induction programme within a short period after appointment.

Ongoing governance reviews will highlight any further areas of training desirable for trustees and where appropriate, arrange for this to be undertaken.

Related parties and relationships with other organisations

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

Dignity in Dying and Compassion in Dying are sister 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. The charity provides information, support and training 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 a CEO, some staff and premises. Relations between DiD and CID are further governed by the Memorandum of Understanding.

Compassion in Dying

Trustees' annual report

For the year ended 31 December 2015

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.

Statement of responsibilities of the trustees

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity 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.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 December 2015 was 5 (2014:7). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Compassion in Dying

Trustees' annual report

For the year ended 31 December 2015

Auditors

Sayer Vincent LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 23 May 2016 and signed on their behalf by

Nicola Swan
Deputy Chair

Nicholas Chalmers
Treasurer

Independent auditors' report

To the members of

Compassion in Dying

We have audited the financial statements of Compassion in Dying for the year ended 31 December 2015 which comprise the statement of financial activities, balance sheet, 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).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

As explained more fully in the statement of trustees' responsibilities set out in the report of the trustees, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Independent auditors' report

To the members of

Compassion in Dying

Opinion on financial statements

In our opinion the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 December 2015 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
- Have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the report of the trustees, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- Adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us
- The financial statements are not in agreement with the accounting records and returns
- Certain disclosures of trustees' remuneration specified by law are not made
- We have not received all the information and explanations we require for our audit

Joanna Pittman (Senior statutory auditor)

24 May 2016

for and on behalf of Sayer Vincent LLP, Statutory Auditors

Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

Compassion in Dying

Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2015

	Note	Unrestricted £	Restricted £	2015 Total £	Unrestricted £	Restricted £	2014 Total £
Income from:							
Donations and legacies	2	251,815	-	251,815	220,828	-	220,828
Charitable activities							
Information Development	3	-	93,450	93,450	-	54,000	54,000
My Life My Decision	4	-	429,180	429,180	-	252,042	252,042
End of Life Rights Advocacy		-	-	-	-	-	-
Investments		2,429	-	2,429	2,347	-	2,347
Total income		254,244	522,630	776,874	223,175	306,042	529,217
Expenditure on:							
Raising funds		43,710	-	43,710	26,985	-	26,985
Charitable activities							
Policy, research and communication		79,723	-	79,723	104,418	-	104,418
Information Development		-	152,157	152,157	9,524	88,553	98,077
My Life My Decision		-	548,331	548,331	37,663	307,710	345,373
End of Life Rights Advocacy		-	-	-	5,427	42,174	47,601
Total expenditure	5	123,433	700,488	823,921	184,017	438,437	622,454
Net (expenditure)/income for the year	7	130,811	(177,858)	(47,047)	39,158	(132,395)	(93,237)
Transfers between funds		(172,411)	172,411	-	(95,668)	95,668	-
Net movement in funds	16	(41,600)	(5,447)	(47,047)	(56,510)	(36,727)	(93,237)
Reconciliation of funds:							
Total funds brought forward		551,428	12,644	564,072	607,938	49,371	657,309
Total funds carried forward		509,828	7,197	517,025	551,428	12,644	564,072

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 16 to the financial statements.

Compassion in Dying

Balance sheet

Company no. 05856324

As at 31 December 2015

	Note	£	2015 £	£	2014 £
Current assets:					
Debtors	12	50,900		92	
Short term deposits		433,412		331,314	
Cash at bank and in hand		264,364		457,237	
		<u>748,676</u>		<u>788,643</u>	
Liabilities:					
Creditors: amounts falling due within one year	13	231,651		224,571	
				<u>224,571</u>	
Net current assets			517,025		564,072
Total net assets			517,025		564,072
			<u><u>517,025</u></u>		<u><u>564,072</u></u>
The funds of the charity:	16				
Restricted income funds			7,197		12,644
Unrestricted income funds:					
Designated funds		–		–	
General funds		509,828		551,428	
		<u>509,828</u>		<u>551,428</u>	
Total unrestricted funds			509,828		551,428
			<u>509,828</u>		<u>551,428</u>
Total charity funds			517,025		564,072
			<u><u>517,025</u></u>		<u><u>564,072</u></u>

Approved by the trustees on 23 May 2016 and signed on their behalf by

Niccola Swan
Deputy Chair

Nicholas Chalmers
Treasurer

Compassion in Dying

Statement of cash flows

For the year ended 31 December 2015

	Note	2015 £	£	2014 £	£
Cash flows from operating activities					
Net cash provided by / (used in) operating activities	17	(93,204)		11,450	
Cash flows from investing activities:					
Dividends, interest and rents from investments		<u>2,429</u>		<u>2,347</u>	
Net cash provided by / (used in) investing activities		<u>2,429</u>		<u>2,347</u>	
Change in cash and cash equivalents in the year		(90,775)		13,797	
Cash and cash equivalents at the beginning of the year		<u>788,551</u>		<u>774,754</u>	
Cash and cash equivalents at the end of the year	18	<u><u>697,776</u></u>		<u><u>788,551</u></u>	

1 Accounting policies

a) Basis of preparation

The financial statements have been prepared in accordance with 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) (effective 1 January 2015) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (August 2014) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

b) Reconciliation with previously Generally Accepted Accounting Practice (GAAP)

In preparing the accounts, the trustees have considered whether in applying the accounting policies required by FRS 102 and the Charities SORP FRS 102 a restatement of comparative items was required. The transition date was 1 January 2014. No transition adjustments were required.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

1 Accounting policies (continued)

f) Donations of gifts, services and facilities

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

g) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

h) 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.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

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

i) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably.

Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of providing information about the aims, objectives and projects of the charity and their associated support costs
- Other expenditure represents those items not falling into any other heading

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

j) Allocation of support costs

Resources expended are 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 the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

Where such information about the aims, objectives and projects of the charity is also provided to potential donors, activity costs are apportioned between fundraising and charitable activities on the basis of area of literature occupied by each activity.

● Cost of Raising Funds	4%
● Policy, Research and Communication	8%
● Information Development	16%
● My Life My Decision	58%
● Support costs	12%
● Governance costs	2%

1 Accounting policies (continued)

j) Allocation of support costs (continued)

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Cost of Raising Funds	8%
● Policy, Research and Communication	12%
● Information Development	18%
● My Life My Decision	62%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

k) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

l) Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Cash balances exclude any funds held on behalf of service users.

m) Creditors and provisions

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

n) Pensions

The charity makes payments to defined contribution pension schemes on behalf of employees. The assets of the schemes are held separately from those of the charitable company in independently administered funds. The pension cost charge represents contributions payable to the funds during the year. The charity has no liability under the schemes other than the payment of those contributions.

Compassion in Dying

Notes to the financial statements

For the year ended 31 December 2015

2 Income from donations and legacies

	Unrestricted £	Restricted £	2015 Total £	2014 Total £
Legacies				
Coleman	8,000	-	8,000	-
McCann	-	-	-	59,185
Shaffer	-	-	-	8,000
Homer	60,000	-	60,000	4,000
Randolph	-	-	-	1,004
Total legacies	68,000	-	68,000	72,189
Donations				
The GW Cadbury Charitable Trust	3,000	-	3,000	2,000
Andrew R Ferguson	5,000	-	5,000	5,000
The Bernard Lewis Family Charitable Trust	150,000	-	150,000	125,000
General donations under £1,000	25,815	-	25,815	16,639
Total donations	183,815	-	183,815	148,639
Total income from legacies and donations	251,815	-	251,815	220,828

Income from charitable activities:

	Unrestricted £	Restricted £	2015 Total £	2014 Total £
3 Information development				
Nick Stacey	-	10,000	10,000	-
Swire Trust	-	20,000	20,000	-
The Bernard Lewis Family Charitable Trust	-	63,000	63,000	-
John Ellerman	-	-	-	20,000
Mrs G Barnes	-	-	-	34,000
Other Under £1,000	-	450	450	-
	-	93,450	93,450	54,000
4 My Life My Decision				
Big Lottery Fund – MLMD	-	429,180	429,180	252,042
	-	429,180	429,180	252,042
Total income from charitable activities	-	522,630	522,630	306,042

5 Analysis of expenditure

	Charitable activities							2015 Total £	2014 Total £
	Cost of raising funds £	Policy, research and communication £	Information development £	My Life My Decision £	End of Life Rights Advocacy £	Governance costs £	Support costs £		
Staff costs (Note 8)	25,601	37,428	55,568	190,011	-	13,128	3,517	325,253	269,689
Other staff costs	-	-	130	18,261	-	-	9,092	27,483	14,892
Grants payable (Note 6)	-	-	-	198,233	-	-	-	198,233	96,483
Office costs	-	-	703	21,541	-	-	66,573	88,817	72,359
Project costs	9,789	12,876	6,736	48,993	-	-	-	78,394	92,857
Volunteer costs	-	-	-	-	-	-	149	149	600
Seminars, conferences and meetings	-	2,054	-	-	-	-	-	2,054	1,507
Literature, printing and postage	-	230	23	-	-	-	3,607	3,860	29,740
Web design and hosting	-	14,382	68,805	-	-	-	54	83,241	8,424
Audit, accountancy and professional fees	-	-	-	1,200	-	7,643	4,358	13,201	32,248
Trustee costs	-	-	-	-	-	3,236	-	3,236	3,655
	35,390	66,970	131,965	478,239	-	24,007	87,350	823,921	622,454
Support costs	6,951	10,162	15,086	51,587	-	3,564	(87,350)	-	-
Governance costs	1,369	2,591	5,106	18,505	-	(27,571)	-	-	-
Total expenditure 2015	43,710	79,723	152,157	548,331	-	-	-	823,921	622,454
Total expenditure 2014	26,985	104,418	98,077	345,373	47,601	-	-	622,454	

Of the total expenditure, £123,433 was unrestricted (2014: £131,403) and £700,488 was restricted (2014: £491,051).

Compassion in Dying

Notes to the financial statements

For the year ended 31 December 2015

6 Grant making

Under the terms of the Big Lottery Silver Dreams funding for the My Life My Decision project a number of grants were issued from CiD to Age UK partners as detailed below:

	2015 £	2014 £
East London	31,382	14,267
Hillingdon	24,732	11,823
Lancashire	32,786	14,581
Oxfordshire	30,426	13,904
Trafford	27,181	16,219
South Tyneside	24,030	9,530
South Lakeland	27,696	16,160
Total	<u>198,233</u>	<u>96,483</u>

7 Net outgoing resources for the year

This is stated after charging / crediting:

	2015 £	2014 £
Auditors' remuneration (excluding VAT):		
Audit	5,850	6,900
Other services	630	2,250
	<u>6,480</u>	<u>9,150</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2015 £	2014 £
Salaries and wages	287,736	237,576
Social security costs	26,203	25,594
Employer's contribution to defined contribution pension schemes	11,314	6,519
	<u>325,253</u>	<u>269,689</u>

No employee earned more than £60,000 during the year (2014: nil).

The total employee benefits including pension contributions of the key management personnel were £84,064 (2014: £97,322).

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2014: £nil). No charity trustee received payment for professional or other services supplied to the charity (2014: £nil).

Trustees' expenses represents the payment or reimbursement of travel, subsistence and accommodation costs totalling £1,564 (2014: £3,655) incurred by 5 (2014: 7) members relating to attendance at meetings of the trustees.

Compassion in Dying

Notes to the financial statements

For the year ended 31 December 2015

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was as follows:

	2015 No.	2014 No.
Raising Funds	1.5	2.6
Policy, Research and Communication	6.0	5.7
Information Development	2.0	2.0
My Life My Decision	4.3	3.2
Support	7.0	3.6
Governance	0.5	1.4
	<hr/>	<hr/>
	21.3	18.5
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees full time and part time equivalent during the year was:

	2015 No.	2014 No.
Cost of Raising Funds	0.36	0.28
Policy, Research and Communication	0.85	0.93
Information Development	2.00	1.69
My Life My Decision	3.57	1.77
End of Life Advocacy	0.00	0.23
Support	1.48	1.03
Governance	0.20	0.49
	<hr/>	<hr/>
	8.46	6.42
	<hr/> <hr/>	<hr/> <hr/>

10 Related party transactions

As explained in the Trustees' Report, the charity works closely with the sister organisation Dignity in Dying (DID). In particular, the charity shares office accommodation and some staff with DID, and DID acts as the charity's payroll agent. There is a related party current account through which these costs are charged – see note 13.

As at 31 December 2015, one of the six trustees of Compassion in Dying is also a board member of Dignity in Dying. The two organisations have separate chairs and treasurers and any financial transactions between the organisations are negotiated on an arm's length basis.

There were no donations during the year from related parties.

11 Taxation

The charitable company is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

Compassion in Dying

Notes to the financial statements

For the year ended 31 December 2015

12 Debtors

	2015 £	2014 £
Trade debtors	92	92
Other debtors	9	-
Prepayments	799	-
Accrued income	50,000	-
	<u>50,900</u>	<u>92</u>

13 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	4,591	10,219
Taxation and social security	5,963	4,568
DID current account (see note 10)	44,256	35,258
Accruals	26,841	24,526
Deferred income – donations received in advance (note 14)	150,000	150,000
	<u>231,651</u>	<u>224,571</u>

14 Deferred income

Deferred income comprises a donation from The Bernard Lewis Family Charitable Trust. As in 2014, the donation from the trust was again received in advance in 2015, for expenditure in 2016.

	2015 £	2014 £
Balance at the beginning of the year	150,000	-
Amount released to income in the year	(150,000)	-
Amount deferred in the year	150,000	150,000
	<u>150,000</u>	<u>150,000</u>

15 Analysis of net assets between funds

	General unrestricted £	Designated £	Restricted £	Total funds £
Net current assets	509,828	-	7,197	517,025
Net assets at the end of the year	<u>509,828</u>	<u>-</u>	<u>7,197</u>	<u>517,025</u>

Compassion in Dying

Notes to the financial statements

For the year ended 31 December 2015

16 Movements in funds

	At the start of the year £	Incoming resources & gains £	Outgoing resources & losses £	Transfers £	At the end of the year £
Restricted funds:					
Information Line Fund	5,447	93,450	(152,157)	53,260	-
Big Lottery Fund – ELRA	7,197	-	-	-	7,197
Big Lottery Fund – MLMD	-	429,180	(548,331)	119,151	-
Total restricted funds	12,644	522,630	(700,488)	172,411	7,197
Unrestricted funds:					
General funds	551,428	254,244	(123,433)	(172,411)	509,828
Total unrestricted funds	551,428	254,244	(123,433)	(172,411)	509,828
Total funds	564,072	776,874	(823,921)	-	517,025

Purposes of restricted funds

Information Line Fund

This is matched funding transferred from reserves as agreed and committed by the trustees at the start of the year and Mrs G Barnes' restricted donation for the provision of an End-of-Line Care Information Line, available to the public via a free-phone number.

Big Lottery Funds – ELRA and MLMD

This represents funding for a pilot project in partnership with Age UK East London and its subsequent roll-out with 6 other Age UK delivery partners and some strategic partners. The project is a service which helps vulnerable older people cope with major life transitions. The transfer from Unrestricted funds represents the matched funding from reserves committed by the trustees as part of the funding application.

The pilot project (ELRA) and the roll-out (MLMD) were subject to completely separate funding applications and as a result are accounted for individually in these accounts.

17 Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2015 £	2014 £
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	(47,047)	(93,237)
Dividends, interest and rent from investments	(2,429)	(2,347)
(Increase)/decrease in debtors	(50,808)	599
Increase/(decrease) in creditors	7,080	106,435
Net cash provided by / (used in) operating activities	(93,204)	11,450

Compassion in Dying

Notes to the financial statements

For the year ended 31 December 2015

18 Analysis of cash and cash equivalents

	At 1 January 2015 £	Cash flows £	Other changes £	At 31 December 2015 £
Cash at bank and in hand	457,237	(192,873)	-	264,364
Notice deposits (less than three months)	331,314	102,098	-	433,412
Total cash and cash equivalents	788,551	(90,775)	-	697,776

19 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.