

**REGISTERED COMPANY NUMBER: 1627610 (England and Wales)**

**REGISTERED CHARITY NUMBER: 284701**

**Report of the Trustees and  
Financial Statements For The Year Ended  
31 March 2020  
for  
Saint Catherine's Hospice Trust**

Ingham & Co.  
Chartered Accountants  
Statutory Auditor  
George Stanley House  
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Scarborough  
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**Saint Catherine's Hospice Trust**

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For The Year Ended 31 March 2020**

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**Saint Catherine's Hospice Trust**  
**Report of the Trustees**  
**for the year ended 31 March 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the consolidated financial statements of the charity and its subsidiaries for the year ended 31 March 2020, which are also prepared to meet the requirements for a group director's report and accounts for Companies Act purposes. The trustees have adopted the provisions of 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).

## **OBJECTIVES AND ACTIVITIES**

### **Purpose and activities**

The primary object of the Trust is to promote the relief of sickness, particularly for patients in need of specialist palliative and end of life care and those with a terminal illness, and the support of their families and carers. The Trust meets this objective through its promotion and provision, where appropriate, of holistic care for patients with a terminal illness who are in need of specialist palliative and end of life care.

The Hospice provides a consultant led specialist palliative and end of life care service to all those with a terminal illness regardless of diagnosis.

The Hospice serves a 1600 square mile area with both in-patient and day Hospice facilities in Scarborough and a range of community services.

### *Scarborough based:*

- Purpose-built Hospice opened in 1985, moving to its current site in 2004 providing specialist care beds in single en-suite in-patient rooms. We also provide nurse led beds providing end of life care for patients in Scarborough hospital who had been identified as in the last seven days of life.
- Carer support bed for one week at a time.
- Wellbeing Centre facility providing drop in clinics and sessions once a week and two full days for 12 patients per day. Patients attending our Wellbeing Centre are able to be seen by the full multi-disciplinary team including consultants, physiotherapy, occupational therapy, spiritual support, social worker, hairdresser and creative therapy.
- Rehabilitation gym run by physiotherapists.
- Lymphoedema clinic offering assessment, bandaging, teaching and massage three times a week.
- Consultant outpatient clinics.
- Complementary Therapy clinics.
- Occupational Therapy Service.
- Drop-in sessions for Carers and a Carers Support Course.
- Bereavement Support Service for both children and adults serving those with a connection to Saint Catherine's.
- Out of hours PalCall telephone support service for patients, carers and other healthcare professions.
- Education centre providing a range of specialist courses for healthcare professionals.
- Motor Neurone Support Group and MS Support group meet once per month respectively.
- Nurse led beds as part of the Integrated Palliative Care Services.
- Spiritual Care.
- Palliative Care Counselling.

**Saint Catherine's Hospice Trust**  
**Report of the Trustees**  
**for the year ended 31 March 2020**

**OBJECTIVES AND ACTIVITIES**

**Purpose and activities**

*Community based:*

- Wellbeing Centre provision at our main site for patients across our whole geographical area.
- Domiciliary based neurology support service provided by two specialist neurology nurses.
- Practice Development Nurse Support to Care Homes as part of the Integrated Palliative Care Services.
- Domiciliary based Community Specialist Palliative Care Clinical Nurse Specialists.
- Community consultant access through domiciliary visits or clinics.
- Consultant clinic to Bridlington patients.
- Consultant clinics at Scarborough Hospital.
- Domiciliary Occupational Therapy, physiotherapy and social work visits.
- Domiciliary Bereavement Support visits.
- Consultant support to other healthcare professionals.
- Hospice at Home Service in partnership with Marie Curie for Scarborough and Filey as part of the Integrated Palliative Care Services.

The main objectives for the year were to develop our work with the clinical commissioning groups and support the development of integrated healthcare and new ways of working particularly in the community.

The Integrated Palliative Care Services have been operating since April 2015. The Scarborough and Ryedale Commissioning Group agreed to continue to fund the Integrated Palliative Care Services until March 2021. The services remain an important part of local provision and will continue in 2020-2021.

**Public Benefit**

The Board of Trustees are satisfied that they have complied with the duty in section 17(5) of the Charities Act 2011 to have regard to the Charity Commission guidance on public benefit in the provision of its activities. A review of the significant activities undertaken by the charity during the year to further its charitable purposes for the public benefit is detailed below.

**Volunteers**

The Hospice relies heavily on the support of volunteers and currently has around 550 volunteers across all our services, in our shops, helping out with fundraising and in our business support services. The Board are incredibly grateful to all those who volunteer time for their commitment to the Hospice and would like to express their gratitude and thanks to all our volunteers. Volunteers remain a vital resource for Saint Catherine's as we seek to return our operations, fundraising and shops to new ways of working in 2020-2021 during the COVID-19 pandemic.

**Saint Catherine's Hospice Trust**  
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**for the year ended 31 March 2020**

**STRATEGIC REPORT**

**Achievement and performance**

*Charitable activities*

The Hospice's Strategic Intent 2018-2021 remains the focus for the development and implementation of this throughout the Hospice services and departments. The six intentions focus on: Clinical Excellence, Empowered People, Innovation and Improvement, Systems and Processes, Financial Sustainability and Reputation. The Hospice also established a set of values and behaviours by which we will deliver our Strategic Intent and these are based around: People Centred, Teamwork, Integrity and Quality & Excellence. This Strategic Intent remains the core of the Hospice's response to the COVID-19 pandemic adapting to the changing situation in an agile and flexible way. Technology is a significant part of the changes to services and support for those who need our services. During the COVID-19 pandemic we have developed new ways to provide support to patients, carers and families through the use of digital technology.

The Hospice continues to review the delivery and development of all its services in light of the changes in the local health and social economies, seeking to respond to local plans and objectives. During 2019–2020, 2,281 adult patients and 26 children benefited from Saint Catherine's services. We had 320 admissions to the In-Patient Unit with 37 being admissions from Scarborough Hospital to a Nurse Led Bed. The total number of patients referred to our Wellbeing Centre was 243 with 89 to our Multidisciplinary Team sessions and 154 to our full day sessions. 1,739 face to face clients were supported by the Palliative Care Counselling Team in the year. In the last 12 months the Hospice at Home has cared for 596 patients in their own homes amounting to 8,105 face to face visits. The Care Homes Team provide education and support to staff providing end of life care in care homes and less direct patient care. They were involved with over 70 homes and 478 visits. The development of a Pro-active Planning Tool impacted support in care homes for an average of 497 patients a month. Our Community Palliative Care Clinical Nurse Specialists received 638 referrals and this resulted in over 3,013 face to face visits. Our Therapies Team in total saw patients resulting in over 1,965 face to face sessions. Our Social Work support resulted in 1,119 face to face contacts over the year. Additionally, we received 597 calls to our out of hours telephone support line in the year.

We continued to provide Wellbeing Centre provision at our main site for patients across our whole geographical area, offering transport to those in the Whitby and Ryedale areas as required. The Wellbeing Centre offers both the traditional model of day care alongside the opportunity on one day to among other things, book clinics, attend specific educational events and receive a multi-disciplinary team assessment. We refurbished our centre with the support of grant funding in early 2020, just before the COVID-19 pandemic. The Wellbeing Centre is currently not open and we are supporting our patients in the community. It is anticipated the Wellbeing Centre may offer some services later in 2020-2021.

*Feedback on our charitable activities:*

The Hospice was last inspected by the Care Quality Commission in May 2019, who are the body who regulate and inspect our services. The Hospice was awarded an overall rating of 'Outstanding'. The five key lines of enquiry the CQC inspection followed were:

- Is the service safe? - we were rated as 'Good'
- Is the service effective? - we were rated as 'Good'
- Is the service caring? - we were rated as 'Outstanding'
- Is the service responsive? - we were rated as 'Outstanding'
- Is the service well-led? - we were rated as 'Good'

The Hospice continues to play a role in the wider healthcare agenda through Palliative Care Locality Groups in North Yorkshire (previously Scarborough and Ryedale) and East Riding of Yorkshire, Clinical Commissioning Group areas. The Executive Team continues to engage with all the local Commissioners and with the wider healthcare developments around the Sustainability and Transformation Plan footprints. Members of the Executive Team also engage with other regional and national bodies.

**Saint Catherine's Hospice Trust**  
**Report of the Trustees**  
**for the year ended 31 March 2020**

**STRATEGIC REPORT**

**Achievement and performance**

*Feedback on our charitable activities - continued*

The Hospice has continued to deliver high quality care and service to our patients, families and clients. The Hospice publishes its Quality Account annually and some feedback from patients, carers and professionals in 2019-20 was:

Patients and clients have said:

'Thank you so much, it's been a real honour to meet you. I shall always treasure your kindness when I was in my darkest days'

'Huge supporting role, helping us come to terms with a life changing way of life. You cannot improve on excellence! Understanding help and support, giving us information and really helpful guidance.'

'Polite, helpful and caring team - thank you!.'

Carers have said:

'Every single member of staff at Saint Catherine's have been absolutely wonderful, not just with mum, but with us as well. They were often at the door asking if they can get us anything and they were there to support us all the way. I watched them as they looked after her, they turned her in her bed, washed her, changed her nightie, brushed her hair etc., they were so gentle with her. They were absolutely amazing, and it was very touching to see. Angels do walk amongst us after all.'

'I just wanted to say thank you so much. Even though my mum was only with you for a short time, you allowed us to find heaven in all the chaos around us. You truly are an amazing hospice. You care so much and the work you do is so special. You just surrounded us in love and helped us through.'

'Care provided, openness of staff, quiet, peaceful atmosphere - all excellent. The fact our friend's well behaved little dog - probably the most important 'person' in her life - was allowed so close to her in her room was the most important comfort to her - so appreciated.'

Professionals have said:

'Prior to my placement people I spoke to said working in a hospice will be a very unique experience and they weren't wrong. I personally experienced the wonderful care and compassion you all have for your patients, their loved ones and towards each other. I couldn't have asked for a better placement in which to complete my social work degree. I feel I have learnt so much about palliative care but also about team work and how effectiveness this can be.'

'Many thanks for the warm welcome and support offered yesterday at the Project ECHO roadshow. It was a pleasure to meet you and your colleagues and have some really positive conversations about Project ECHO. It's great working together and to hear people's viewpoints about the project, and we very much look forward to continuing the teamwork going forward.'

*Income generation*

The Trustees evaluate the effectiveness of all income generation activities with reference to planned income and the overall Income Generation and Marketing strategy through both the Income and Finance Committee and the Board meetings. The Income and Business Director and Chief Executive provide reports to the respective Committee and Board to report financial income. Monthly Management Accounts report actual results against budget and are provided to Trustees quarterly.

The Hospice recognises the crucial importance of all its Income Generation activities. The Hospice expanded significantly for a number of years up to 2016, which resulted in increased expenditure and demand on all income generation activities. Through the Hospice's work with four local Clinical Commissioning Groups the Hospice developed the Integrated Palliative Care Services, gaining commissioner contract funding contribution towards these services. The Hospice continues to review its requirements from all income generation activities and areas where efficiencies can be made in delivering our care and support services. The Hospice is always incredibly grateful to all its supporters and donors and recognises the challenges faced by many charities in the continuing economic climate.

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**STRATEGIC REPORT**

**Achievement and performance**

*Income generation - continued*

In 2019-20 the Hospice continued to maintain the levels of income generation with some small increase. There was again improvement in our Shops income with turnover reaching over £1m. Our legacies continue to meet expectations and the Trustees are incredibly grateful to all those who consider leaving a gift in their wills to the Hospice. The income from our lottery maintained similar levels to the previous year. The income from the sale of new goods rose slightly in 2019-20. The generosity of the local community continued to be demonstrated in the donations we received and the participation in our fundraising events and the sponsorship received.

*Impact of COVID-19:*

The COVID-19 pandemic has resulted in changes to the services the Hospice is able to deliver. Where possible we are undertaking more support and consultations through the use of digital technology. This is proving to be very successful for all our community services and support. The Hospice has obtained sufficient supplies of Personal Protective Equipment (PPE) through the generous donations of the local communities and by purchasing in bulk where possible. This has enabled the In-Patient Unit, our Hospice at Home and our Community Nurse Specialists to continue to care and support for patients at the Hospice and in the community.

Through the high standards of PPE adopted and by following government guidance and our own risk assessments the Hospice has been able to protect patients and staff from any cross infection, with no incidents of COVID-19 occurring from patients to staff or visa-versa, or indeed staff to staff.

The Trustees would like to express their sincere thanks and gratitude to all members of staff who have displayed incredible dedication to continue to provide care and support to our patients, carers and families throughout the COVID-19 pandemic. Their continued dedication and hard work mean the Hospice is able to care and support people in the Hospice and the community.

The Hospice has seen income levels significantly reduce at the start of the 2020-2021 financial year. The Hospice has cancelled all face to face events and activities and all Hospice shops were shut from 23rd March 2020 to the end of July 2020. All the Hospice shops have now re-opened and with the current government guidance and regulations we are achieving around 50% of the footfall prior to the pandemic. The overall level of turnover and income from the shops for the medium to long-term will be lower than in 2019-20.

The Hospice has undertaken financial modelling for a number of scenarios which take into account future economic predictions. The Hospice is taking action to reduce costs to ensure its long-term financial sustainability. The Hospice has received some additional government grant funding in April, May and June 2020 and continues to receive excellent support from the local Clinical Commissioning Groups. This money has enabled the Hospice to continue to deliver services without the need to realise any investments. The Trustees have agreed the Hospice will realise investments from reserves during 2020-2021 to support service provision.

*Fundraising and compliance*

The Hospice is now a member of the Fundraising Regulator and continues to review the legal requirements and best practice guidance for all income generation activities, to ensure all practices and ethics meet the required standards and vulnerable persons and other members of the public are protected. The Trustees receive regular updates on any matters of concern at the Income and Finance Committee.

The Hospice delivers its own fundraising activities directly and also has volunteers and supporters who fundraise on our behalf. Our fundraising team provide guidance and support to assist staff, volunteers and supporters in their fundraising activities.

The Hospice is adhering to all government guidance and regulations in relation to COVID-19 and is adapting fundraising initiatives and activities accordingly.

There were 6 formal complaints received during the year in respect of any of our fundraising activities, mainly relating to our shops. These were all resolved and responses provided enabling all complaints to be closed.

**Saint Catherine's Hospice Trust**  
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**STRATEGIC REPORT**

**Achievement and performance**

*Fundraising and compliance - continued*

The Hospice does not undertake any cold-call canvassing for the Lottery and no other cold-call approach is undertaken in any income generation activity. The Hospice does not use any professional fund-raisers in respect of any income generation activity.

Saint Catherine's Hospice Lottery Limited utilises the services of an external lottery manager to manage and promote our weekly lottery draw. The lottery manager, Sterling Lotteries, is licenced and regulated by the Gambling Commission as a Non-Remote and Remote External Lottery Provider.

During 2019-2020 the Hospice continued work on Information Governance and achieved the required standards for the Data Security and Protection toolkit ("DSP"), as required by the NHS and the CQC. The Hospice maintains an attitude of continuous improvement in regard to its information governance and security and to ensure it maintains the required level of the DSP.

*Investment performance*

The Charity has an agreed investment policy with its investment managers based on the requirements from the portfolio: to provide a high level of income and a capital buffer in case of a shortfall in funding-income: to accommodate the level of risk the Trustees are prepared to accept; to take account of the timescale over which the investments are expected to be held. Based on the consideration of these factors the investment benchmark agreed for the portfolio with the investment managers is: 20% of the return of the FTA British Government All Stocks Index, 65% of the FTSE All Share index, 5% of the FTSE World Ex-UK Index, 4% of the Investment Property Database Index and 6% of the "Bank of England Base Rate +2% return (for infrastructure investment). This allocation is classified as "Medium" risk and imposes separate agreed limitations as to the minimum and maximum amounts of each asset class that can be held.

The Trustees understand that over the long term this agreed format will allow the capital value of the portfolio to be at least retained in real terms and will generate a good level of income to support the hospice. The Trustees also understand that investments do not move in a linear fashion and there will be individual years, and periods perhaps in excess of a year, when the portfolio value may fall. However they also understand that, based on historical returns, equity investment is necessary if the value of both the capital value of the fund and income is to maintain its purchasing power when compared with inflation.

Saint Catherine's year to 31st March 2020 saw the hospice's portfolio lose substantial value as a result of the huge disruption wrought by the impact on the global economy – and thereby share prices – of the coronavirus global pandemic; in addition a planned withdrawal of £300k was made in January 2020 to support the Hospice's operations. The disease started in China and quickly spread; western governments imposed lockdown conditions on citizens to halt the risk of infection. The real impact on portfolio values occurred from February with equity markets suffering thundering falls in March 2020 with the main western equity markets showing losses of up to 25% during the month. The major business casualties were travel companies; leisure operators; retailers not selling essential items; and indeed any companies selling goods or services where the purchase could be cancelled or delayed: thus food producers and retailers, healthcare and pharmaceuticals; tobacco and perhaps utilities were amongst few areas not badly affected by the emergency measures introduced to contain the virus. Ongoing Brexit negotiations thus became a sideshow.

The outlook for securities markets remains unclear. However, equity (shares) markets always look forward to improving times and in a world where interest rates are virtually zero there remains attraction in shares that mostly pay a dividend and have prospects for capital growth. Thus for portfolios not expecting to make large capital drawdowns there is good merit in retaining a good proportion of investment in equities. An effective treatment for Covid-19 and/or vaccine could change things quite quickly and hopes are high for progress by early 2021.

A major casualty has been the flow of dividends from companies where either government decree has prevented payments (banks) or dissuaded companies from paying (insurance companies): this practice has been common throughout Europe. But many chief executives have seen such a lack of forward visibility with regard to their companies' fortunes that they have simply cancelled dividends. This will likely have a major impact on portfolio income for two years at least.



**Saint Catherine's Hospice Trust  
Report of the Trustees  
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**STRATEGIC REPORT**

**Achievement and performance**

*Investment performance - continued*

The portfolio continues to be managed for long term growth in both its capital value and the level of income it can generate and 2020 saw a good rise in income. For 2020 the portfolio's total return (capital growth with income added) was -8.8% compared to the benchmark's -10.3%; the three year cumulative return shows +2.3% compared to the benchmark's -3.3%; the five year return showing +14.5% compared to the benchmark's +12.2%.

*Appreciation*

The Board again expresses its appreciation of all who work so generously for Saint Catherine's, senior management, professional staff and volunteers. Their united efforts make possible the delivery of care to our patients at the highest level of quality and the continuing outreach of knowledge and expertise in palliative care to the wider constituency.

**Financial review**

*Financial position*

The overall operating deficit for the restricted and unrestricted fund, as detailed in the financial statements described as "Net expenditure" was £630,541 (2019 - a deficit of £106,087). A breakdown of the income and expenditure of the Charity and its subsidiaries is given in the Consolidated Statement of Financial Activities and associated notes.

At 31 March 2020 the Group had Net Current Assets of £1,147,905 (2019 - £982,495) and overall Net Assets of £8,240,279 (2019 - £8,870,820).

The Group's unrestricted funds totalled £8,140,506 and were represented by tangible fixed assets of £5,142,719, investments of £1,949,655 and net current assets of £1,048,132.

The Group's restricted funds totalled £99,773 and were represented by net current assets.

*Principal Funding Sources*

The Charity's principal funding sources are shown in the Consolidated Statement of Financial Activities on page 17 of the financial statements. The main funding sources for the Hospice continue to be legacies, voluntary donations, shops, lottery and contract income from Clinical Commissioning Groups. The Hospice recognises the impact of COVID-19 and the significant difficult economic times we are now operating within. The Trustees anticipate this will have an impact on income generation in the coming years and will continually monitor this situation through regular financial reporting and review. The Trustees have undertaken financial modelling to review actions required as an outcome of the COVID-19 pandemic impact. The Trustees are overseeing a cost reduction exercise in 2020-21 to ensure the long-term financial sustainability of the Hospice. The delivery of the Board's Strategic Intent continues to include the focus on continuous improvement to ensure the efficient and effective use of all our resources for the benefit of our patients, families and carers.

*Investment policy and objectives*

The articles of association authorise the Trustees to make and hold investments using the general funds of the charity. The Board engages appropriate professional advice in the choice and movement of investments. With the approval of the Charity Commission, the Board continues to delegate responsibility for the investment portfolio management to Investec.

The Board reviewed the "Statement of Investment Principles" produced in accordance with the Trustee Act 2000, and agreed to maintain this as the organisation's statement.

The main investment policy objectives were aimed at maintaining capital value whilst meeting a target income figure as a minimum but also aim to build reserves if possible. The Hospice continues with its ethical policy of not investing in any tobacco related equities. The Trustees will maintain the current investment policy and have authorised the realisation of investments to support service delivery during 2020-2021 and the cost reduction actions.

**Saint Catherine's Hospice Trust  
Report of the Trustees  
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**STRATEGIC REPORT**

**Financial review**

*Reserves policy*

The reserves policy is monitored and reviewed annually by the Finance and Income Committee and the Board of Trustees.

The policy on reserves was reviewed and the Trustees agreed to stay with the formula of trying to build free reserve levels back to one year's running costs after taking into account guaranteed income, whilst at the same time looking to fund organisational development. The Trustees recognise the importance of using free reserves to help ensure continuity in the event of any large variation in income, any emergency financial demands, bridge any cash flow problems, pay for any future projects and to help generate income. The current level of free reserves allows the Trustees to cover these potential demands. The Hospice currently has free reserves of £2,997,787.

The COVID-19 pandemic has resulted in an emergency financial demand and the current reserves will be used in 2020-2021 to support the Hospice to deliver its services, care and support. The Trustees are overseeing a cost reduction exercise in 2020-2021 to ensure the long-term sustainability of the Hospice and secure the future in the difficult economic impact of COVID-19.

**Going concern**

The charitable company relies upon funding from voluntary donations, legacies and funding from clinical commissioning groups, which all contain a degree of uncertainty. Recognising the impact of COVID-19 and the proactive cost reduction being overseen by Trustees along with the continued clinical commissioning group and community support, in addition to the current level of free reserves at the year end, the Trustees consider that the charitable company has sufficient resources to continue in existence for the foreseeable future.

**Principal risks and uncertainties**

The Trustees consider that the principal risks and uncertainties faced by the charitable company and its subsidiaries are as follows:

- the Hospice's reliance on the generosity of the local community in providing donations, including in particular legacies, and the medium to long-term impact of COVID-19 on these donations;
- the recruitment and retention of nursing staff and medical professionals;
- the maintenance of Government funding given the background of cuts to public expenditure;
- the short to medium-term impact of COVID-19 on financial income;
- the impact of COVID-19 on the long term delivery of services and the associated availability of PPE; and
- the medium-term impact of the PPE requirements for COVID-19 and the financial cost.

**Plans for future periods**

The Board developed the new Strategic Intent for 2018-2021 and our main objectives are:

1. Maintain Saint Catherine's Care Quality Commission rating as 'Outstanding' by safely delivering to patients, carers and families an appropriate range and quality of integrated core services, which are structured to provide easily accessible, responsive, and scalable holistic person centred care.
2. Deliver Saint Catherine's care and support through an integrated employee and volunteer workforce of empowered people. Attract and retain people by offering attractive salary and benefits, which includes developing and investing in people through ongoing training and education. Offer a variety of high quality and flexibility opportunities for volunteers which demonstrates the unique value and potential for our volunteer roles.
3. Maintain Saint Catherine's Specialist Palliative and End of Life Care focus, which is underpinned by a culture of learning and continuous improvement, together with a strong research capability. Use the outcomes of applicable research and external best practice to support continuous improvement, innovation and development of the core services provided to patients, carers and families.

**Saint Catherine's Hospice Trust  
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**STRATEGIC REPORT**

**Plans for future periods**

4. Utilise and develop information technology and electronic records and systems throughout Saint Catherine's to ensure regulatory compliance at all times, ensure good quality and robust data management, and maximise the efficient and effective use of all resources.
5. Maintain a sustainable level of total expenditure for Saint Catherine's, which is at least 2% less than our total income, through a culture of continuous improvement and with effective and efficient use of resources across all departments.
6. Ensure Saint Catherine's maintains a visible profile and a highly respected reputation in all the local communities for whom we deliver care and support.

We continue to work towards demonstrating the impact of the work we do and evaluating the Integrated Palliative Care Services.

The Board of Trustees in conjunction with members of the Board Committees and the Executive Team will ensure the delivery of the Board Strategic Intent 2018-2021. Fundamentally, the Board is seeking to ensure the Hospice is 'fit for the future' and on a solid and secure financial foundation to continue the delivery of services for the future and this remains the priority in 2020-2021.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Governing document**

The Trust is a company without share capital, governed by its memorandum and articles of association, incorporated on 7 April 1982.

**Recruitment and appointment of new trustees**

The appointment and election of Trustees are governed by the articles of association. Under those articles one third of the Trustees are subject to retirement at each annual general meeting and are eligible for re-election.

This year Simon Ward, Malcolm Chell and Sue Standard-Sheader were re-elected to the Board. Two new members were appointed as Trustees and they are Suzanne Burnett and Debbie Westmoreland. New Trustees are eligible for election by recommendation of the existing Trustees or by written notice from a member. Each Trustee serves on at least one sub committee and the Chairman is an ex officio member of all sub committees.

In addition, Tim Boyes retired from the Board this year, Tim who has served the Hospice since its start has been a long time supporter of the Hospice. The Board would like to express their sincere thanks to Tim for his long service and support, and his hard work and dedication over many years on behalf of Saint Catherine's as part of the Board and Committees. The Board would also like to acknowledge the sad death of Dr Phil Garnett early in 2020, who was one of the people who originally started the Hospice. It is not possible to express in a few words the significant contribution Phil made to Saint Catherine's. Phil was passionate about the work of Saint Catherine's and as part of his dedication to patients, carers and families throughout his career, the Hospice was always close to his heart. Phil will be missed greatly by Saint Catherine's.

**Organisational structure**

The organisational structure of the Trust is made up of an Executive Committee, known as the Board of Trustees, of up to fifteen Trustees who are recruited from the wider body of members of the Trust which currently number 34. Currently Board Members are nominated by at least two other members of the Board and will previously have been invited to sit on one or more of the Hospice's committees. All Board members are elected for a period of three years after which time they can put their name forward for re-election at the AGM if they so wish. The total number of years that a Trustee can normally serve is nine years.

Saint Catherine's Hospice Trust has two wholly owned trading subsidiaries, Scarborough Hospice Sales Ltd and Saint Catherine's Hospice Lottery Limited, both incorporated in England and Wales. The directors of the subsidiaries are also Trustees of the charity.

**Saint Catherine's Hospice Trust**  
**Report of the Trustees**  
**for the year ended 31 March 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Decision making**

The Board of Trustees, which is attended by the board members and the Chief Executive, Clinical Services Director, Medical Director and Business and Income Director, meets four times a year and receives reports from the three committees. The Board governance structure maintains three Committees being the Finance and Income Committee, Governance and Compliance Committee and the People and Resources Committee. Each Committee meets four times a year and are attended by at least two Board members, members of the wider Trust and relevant senior management. The Governance and Compliance Committee is responsible for all hospice governance and audit matters including clinical governance, information governance, health & safety governance and related financial governance, which they report to the Board. The Finance and Income Committee is responsible for financial and investment aspects of governance, along with income generation performance, which they report to the Board. The People and Resources Committee is responsible for all legal and governance matters relating to our people and the material resources of the Hospice.

*Impact of COVID-19:*

During the COVID-19 pandemic the Board has continued to meet monthly through digital technology. The Board delegated significant decision-making required during and related to the COVID-19 pandemic to the Chair and Deputy Chair of Trustees and the Chief Executive. The Board will continue to meet monthly during the cost reduction actions in 2020-21.

**Induction and training of new trustees**

A Role Description and Person Specification for the role of Trustee has been drawn up and all Trustees are required to sign up to a Trustee code of conduct, an eligibility statement declaring they are a fit and proper person to undertake the role of a trustee and a separate confidentiality statement. Additionally, Trustees are DBS checked and checks are made at Companies House to ensure Trustees are not disqualified as being Directors. New Trustees will be invited to spend a day at the Hospice to see all the facilities and meet staff and will be provided with guidance on the roles and responsibilities of Hospice Trustees using guidance produced nationally by HospiceUK and the Charity Commission. In addition to Committees and Board meetings the Trustees take part in an annual away day with senior staff and are invited to attend other information evenings such as the volunteers forum. The Board undertook regular Announced Visits as part of their role and attended on two occasions in 2019-2020. These visits have been temporarily suspended during the COVID-19 pandemic.

**Key management remuneration**

The remuneration of the key management team is reviewed annually by the Board of Trustees.

**Relationships**

The Hospice continues to encourage its senior personnel to participate in the activities of the various professional organisations available to them. Each of the multi-disciplinary functions meets with its peers in other Hospices across Yorkshire and the Humber, which includes CEO Forums and the Executive Clinical Leads in Hospice and Palliative Care Forum.

The work of the Cancer Network, HospiceUK and the Forum of Hospice Chairpersons at both regional and national level, is supported.

Regular contact and liaison is maintained both with the purchasers and fellow providers of health care in the region covered by the Hospice, and we remain committed to a policy of cooperation.

**Related parties**

None of the Trustees receive remuneration or any other benefit from the charity.

The trustees are required to submit annual related party forms to the charity detailing their family connections and external business interests.

The charity's wholly owned subsidiaries, Scarborough Hospice Sales Limited and Saint Catherine's Hospice Lottery Limited trade on behalf of the charity. The results of the individual subsidiaries are detailed in note 12 to the financial statements. The financial statements consolidate the results of the charitable company and both subsidiaries.

**Saint Catherine's Hospice Trust  
Report of the Trustees  
for the year ended 31 March 2020**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Risk management**

The Trustees acknowledge their responsibility in identifying major risks to which the Hospice may be exposed and have a formal process of risk management. An updated Risk Management Policy has been approved and a mechanism for regular annual review detailed. The Board Risk Register is reviewed every six months in May and November each year.

The major risks to which the charity is exposed, as identified by the Trustees, have been reviewed through the day to day Executive Team activities, and systems have been established to mitigate those risks. The risk identification process for non financial risk is undertaken initially by the Chief Executive in conjunction with the professional managers of the Executive Team. As areas of risk are identified, they are reviewed initially by the Executive Team, and may then be referred to either a Trustee Committee for consideration, or directly to a Board Meeting. A decision on appropriate action or implementation of a system will then be made by Trustees.

In respect of financial risk, the trustees identify major risk through consideration at the Finance and Income Committee and this is then fed in to the Board which is attended by trustees who include some who are either professionally qualified in finance or experienced in handling financial matters as part of their professions. Security of IT services has been confirmed by the successful completion of NHS Data and Security Prevention Toolkit.

The Board and senior management continue to review of all the organisations health, safety and risk management policies, procedures, systems and processes. This will continue to completion in 2020-2021.

*Impact of COVID-19:*

The Board and Executive Team continue to monitor the risks associated with the COVID-19 pandemic. The Board and Executive Team have undertaken risk assessments throughout the pandemic in relation to the health, safety and welfare of all staff, patients, carers and families. The requirement for the use of PPE follows government guidance and the Hospices own local risk assessment. Risk assessments are in place for the operation of services, for the operation of all retail premises, for staff returning to work and for all those identified as being in vulnerable categories. The Board and Executive Team as has been stated already have undertaken financial modelling and are proactively addressing the long-term sustainability of the Hospice through cost reduction actions.

**Saint Catherine's Hospice Trust**  
**Report of the Trustees**  
**for the year ended 31 March 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Registered Company number**

1627610 (England and Wales)

**Registered Charity number**

284701

**Registered office**

Throxenby Lane  
Scarborough  
North Yorkshire  
YO12 5RE

**Trustees**

S P Ward (Chair)

M Middlebrook (Deputy Chair)

J F P Garnett - deceased 29 January 2020

T J Boyes - resigned 7 October 2019

M Chell

J Stevenson

S Standard-Sheader

S Burnett - appointed 7 October 2019

D Westmoreland - appointed 7 October 2019

**Company Secretary**

M G Wilkerson

**Executive Team**

M G Wilkerson (Chief Executive)

T Calcraft

M Muir

S Callin

**Auditors**

Ingham & Co.

Chartered Accountants

Statutory Auditor

George Stanley House

2 West Parade Road

Scarborough

North Yorkshire

YO12 5ED

**Bankers**

HSBC Bank PLC

33 St Nicholas Street

Scarborough

YO11 2HN

**Solicitors**

Thorpe & Co.

3 Bagdale

Whitby

YO21 1QL

**Saint Catherine's Hospice Trust  
Report of the Trustees  
for the year ended 31 March 2020**

**REFERENCE AND ADMINISTRATIVE DETAILS**

**Investment advisers**

Investec  
2 Gresham Street  
London  
EC2V 7QN

**STATEMENT OF TRUSTEES' RESPONSIBILITIES**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- 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 the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

In so far as the trustees are aware:

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

**AUDITORS**

The auditors, Ingham & Co., will be proposed for re-appointment at the forthcoming Annual General Meeting.

The Report of the trustees, which incorporates a strategic report, was approved by order of the board of trustees, as the company directors, on 11 September 2020 and signed on the board's behalf by:

S P Ward  
Chairman of Trustees

**Report of the Independent Auditors  
to the Members of Saint Catherine's Hospice Trust**

**Opinion**

We have audited the financial statements of Saint Catherine's Hospice Trust (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2020 which comprise the consolidated charitable parent company Statement of Financial Activities, the consolidated and charitable parent company Balance Sheets, the consolidated Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

**In our opinion the financial statements:**

- give a true and fair view of the state of the group and charitable parent company's affairs as at 31 March 2020 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.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors responsibilities for the audit of the financial statements section of our report. We are independent of the charitable group and charitable parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable group's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



**Report of the Independent Auditors  
to the Members of Saint Catherine's Hospice Trust**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the Trustees (incorporating the strategic report and the report of the directors) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees Responsibilities, the trustees (who are also the directors of the charitable parent 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group's and charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Independent Auditors.

**Report of the Independent Auditors  
to the Members of Saint Catherine's Hospice Trust**

**Use of our report**

This report is made solely to the charitable parent 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 parent 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 parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Paul Webster BA FCA CTA (Senior Statutory Auditor)  
for and on behalf of Ingham & Co.  
Chartered Accountants  
Statutory Auditor  
George Stanley House  
2 West Parade Road  
Scarborough  
North Yorkshire  
YO12 5ED

Date: 11 September 2020

**Saint Catherine's Hospice Trust**

**Consolidated Statement of Financial Activities**  
**(incorporating a consolidated Income and Expenditure Account)**  
**for the year ended 31 March 2020**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
<b>Income from:</b>					
<b>Donations and legacies</b>					
Legacies		976,638	5,000	981,638	1,026,342
Donations		345,955	35,897	381,852	339,487
General trusts and foundations		46,056	52,683	98,739	87,159
Fundraising donations and sponsorship		208,614	-	208,614	246,580
<b>Charitable activities</b>					
Funding from Clinical Commissioning Groups		1,580,153	576,898	2,157,051	2,016,696
Education course income		19,770	-	19,770	23,287
<b>Other trading activities</b>					
Fundraising events		156,736	-	156,736	296,363
Charity shops		1,083,593	-	1,083,593	1,077,160
Room hire		4,160	-	4,160	5,213
Support services		50,079	-	50,079	42,036
Scarborough Hospice Sales Limited		47,967	-	47,967	44,048
Saint Catherine's Hospice Lottery Limited		353,923	-	353,923	354,138
<b>Investments</b>	4	105,902	-	105,902	104,803
<b>Total Income</b>		<u>4,979,546</u>	<u>670,478</u>	<u>5,650,024</u>	<u>5,663,312</u>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Donations and legacies	5	307,641	-	307,641	283,413
Other trading activities	5	1,034,181	-	1,034,181	1,014,715
Scarborough Hospice Sales Limited	5	29,178	-	29,178	25,634
Saint Catherine's Hospice Lottery Limited	5	200,553	-	200,553	207,672
Investment management costs	5	20,078	-	20,078	20,495
<b>Other</b>					
Loss on disposal of fixed assets	5	-	-	-	-
<b>Charitable activities</b>	5	3,788,323	646,019	4,434,342	4,330,352
<b>Total Expenditure</b>		<u>5,379,954</u>	<u>646,019</u>	<u>6,025,973</u>	<u>5,882,281</u>
<b>Net income/(expenditure) before other recognised gains</b>		(400,408)	24,459	(375,949)	(218,969)
Net (losses)/gains on investments		<u>(254,592)</u>	-	<u>(254,592)</u>	<u>112,882</u>
<b>Net Expenditure</b>		(655,000)	24,459	(630,541)	(106,087)
Total funds brought forward		<u>8,795,506</u>	<u>75,314</u>	<u>8,870,820</u>	<u>8,976,907</u>
<b>Total funds carried forward</b>		<u><u>8,140,506</u></u>	<u><u>99,773</u></u>	<u><u>8,240,279</u></u>	<u><u>8,870,820</u></u>

**Continuing operations**

All income and expenditure has arisen from continuing activities.

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

A detailed Consolidated Statement of Financial Activities for the comparative year ended 31 March 2019 is disclosed in note 9 to the financial statements.

**Saint Catherine's Hospice Trust**

**Balance Sheets as at 31 March 2020**

		Group		Charity	
	Note	2020 £	2019 £	2020 £	2019 £
<b>Fixed assets</b>					
Tangible fixed assets	11	5,142,719	5,329,619	5,141,041	5,327,572
Investments	12	1,949,655	2,558,706	1,949,662	2,558,713
		<u>7,092,374</u>	<u>7,888,325</u>	<u>7,090,703</u>	<u>7,886,285</u>
<b>Current assets</b>					
Stocks		29,808	21,662	24,174	18,293
Debtors	14	1,172,398	779,165	1,226,162	843,745
Cash at bank and in hand		871,291	602,621	742,126	454,132
		<u>2,073,497</u>	<u>1,403,448</u>	<u>1,992,462</u>	<u>1,316,170</u>
<b>Creditors: amounts falling due within one year</b>	15	(925,592)	(420,953)	(844,903)	(333,652)
<b>Net current assets</b>		<u>1,147,905</u>	<u>982,495</u>	<u>1,147,559</u>	<u>982,518</u>
<b>Total net assets</b>		<u><u>8,240,279</u></u>	<u><u>8,870,820</u></u>	<u><u>8,238,262</u></u>	<u><u>8,868,803</u></u>
<b>The funds of the charity:</b>					
Unrestricted funds	16	8,140,506	8,795,506	8,138,489	8,793,489
Restricted income funds	16	99,773	75,314	99,773	75,314
<b>Total charity funds</b>		<u><u>8,240,279</u></u>	<u><u>8,870,820</u></u>	<u><u>8,238,262</u></u>	<u><u>8,868,803</u></u>

The financial statements were approved by the Board of Trustees on 11 September 2020 and were signed on its behalf by:

S Ward

M Middlebrook

Consolidated Statement of cash flows for the year ended 31 March 2020

	Note	2020	2019
		£	£
<b>Cash flows from operating activities:</b>			
Net cash provided by/(used in) operating activities	(a)	(128,720)	(532,407)
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		105,902	104,803
Purchase of property, plant and equipment		(62,971)	(83,581)
Proceeds from the sale of investments		579,375	151,352
Purchase of investments		(224,916)	(220,025)
		<u>397,390</u>	<u>(47,451)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		<u>268,670</u>	<u>(579,858)</u>
Cash and cash equivalents at the beginning of the reporting period		<u>602,621</u>	<u>1,182,479</u>
<b>Cash and cash equivalents at the end of the reporting period</b>	(b)	<u><u>871,291</u></u>	<u><u>602,621</u></u>

Notes to the consolidated statement of cash flows

(a) <b>Reconciliation of net income/(expenditure) to net cash flow from operating activities</b>	2020	2019
	£	£
<b>Net income/(expenditure) for the reporting period</b>	(630,541)	(106,087)
<b>Adjustments for:</b>		
Depreciation charges	249,871	243,782
(Gains)/losses on investments	254,592	(112,882)
(Gains)/losses on disposal of fixed assets	-	-
Interest received	(2,061)	(2,630)
Dividends received	(97,166)	(92,371)
Rents from investment	(6,675)	(9,802)
(Increase)/decrease in stocks	(8,146)	2,312
(Increase)/decrease in debtors	(393,233)	(459,269)
Increase/(decrease) in creditors	504,639	4,540
<b>Net cash provided by/(used in) operating activities</b>	<u><u>(128,720)</u></u>	<u><u>(532,407)</u></u>
(b) <b>Analysis of cash and cash equivalents</b>	2020	2019
	£	£
Cash at bank and in hand	<u>871,291</u>	<u>602,621</u>
	<u><u>871,291</u></u>	<u><u>602,621</u></u>

Notes to the financial statements for the year ended 31 March 2020

**1. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared in accordance 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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The Hospice Trust meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historic cost or transaction value unless otherwise stated in the relevant accounting policies.

The presentation currency of the financial statements is the Pound Sterling (£).

**Income**

All income is recognised in the Statement of Financial Activities once the charitable company has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably. All income is stated excluding discounts, rebates, value added tax and other sales taxes.

For legacies, the charitable company is considered to be entitled to the funds, when it is aware of the existence of a valid Will and the death of the benefactor. A legacy is considered probable when there has been a grant of probate, the executors have established that there are sufficient assets in the estate and any conditions attached to the legacy are in control or met by the charitable company. A legacy is measurable when it can be measured or estimated with sufficient reliability.

Gifts in kind are recognised at the estimated market value of the gift when it is received, with the exception of donated goods for resale, which are not recognised until they have been sold.

Income from events and fundraising are recognised when the event takes place.

Income from the Health Authority, Government and other grants, whether a capital or revenue grant, are recognised when the charitable company 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.

Income is deferred where it is received in advance to be expended in the following period or it relates to a future fundraising event.

Interest and dividend income is included when receivable and the amount can be measured reliably.

**Resources expended**

All expenditure is included within the Statement of Financial Activities on an accruals basis inclusive of any VAT that cannot be recovered. Expenditure has been allocated to a particular activity where costs relate directly to that activity. Where it is necessary to allocate costs between activities, the trustees use their best judgement and estimates to fairly allocate the costs.

Expenditure on raising funds comprises fund-raising costs incurred in seeking voluntary contributions, shop expenses and investment management advice.

Expenditure on charitable activities comprises those costs incurred by the charitable company in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Notes to the financial statements for the year ended 31 March 2020

1. ACCOUNTING POLICIES - continued

**Tangible fixed assets**

Fixed assets are stated at cost. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful economic life:

Freehold buildings	- 2.5% Straight line
Fixtures, fittings and equipment	- 25% Straight line
Motor vehicles	- 25% Straight line

No depreciation is charged on freehold land. The capitalisation threshold for tangible fixed assets is £600.

**Investments**

Investments (other than investments in subsidiaries) are a form of basic financial instrument and are stated at market value at the balance sheet date. All gains and losses are reflected through the Statement of Financial Activities. Investments in subsidiaries are included at cost and the Trustees review the carrying value annually for indications of impairment.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Donated items for resale are not included in the financial statements until they are sold.

**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. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

**Creditors**

Creditors 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 are normally recognised at their settlement amount after allowing for any trade discounts due.

**Taxation**

The charitable company is exempt from tax on its charitable activities.

**Fund accounting**

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

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

**Pension cost and other post-retirement benefits**

The charitable company operates two defined contribution schemes. The charitable company also makes contributions to the NHS Pension Scheme which is an unfunded defined benefit scheme. The charitable company is unable to identify its share of the underlying assets and liabilities of the NHS scheme and therefore the scheme is accounted for as if it was a defined contribution scheme. Contributions payable to all schemes are charged to the Statement of Financial Activities in the period to which they relate.

**Subsidiaries**

The charitable company has two wholly owned subsidiaries, Scarborough Hospice Sales Limited and Saint Catherine's Hospice Lottery Limited, both of which are incorporated in England. Both companies are obliged under their constitutions to apply their profits towards the promotion and carrying out of the objects of the charitable company. A summary of the trading results of both subsidiaries is contained in the notes to the financial statements. These financial statements consolidate the results of the charitable company and both subsidiaries.

Notes to the financial statements for the year ended 31 March 2020

**1. ACCOUNTING POLICIES - continued**

**Group financial statements**

The financial statements consolidate the results of charity and its wholly owned subsidiaries on a line by line basis. A separate Statement of Financial Activities, including the income and expenditure account, for the charity itself is not presented because the charity has taken advantage of the exemptions offered by section 408 of the Companies Act 2006. The summary financial performance of the charity alone is disclosed in note 13 of the financial statements.

**Volunteers**

No amounts are included in the financial statements for services donated by volunteers.

**Operating leases**

Operating lease rentals are included in the Statement of Financial Activities in the period to which they relate.

**Financial instruments**

The charitable company only enters into basic financial instruments that result in the recognition of financial assets and liabilities such as trade debtors, other debtors and creditors. Debt instruments that are payable or receivable within one year, are measured at the undiscounted amount of cash or other consideration expected to be paid or received.

**Going concern**

The charitable company meets its daily working capital requirements from its bank accounts, which at 31 March 2020 were in excess of £740,000. The charitable company relies upon funding from voluntary donations, legacies and funding from clinical commissioning groups, which all contain a degree of uncertainty. Recognising the impact of COVID-19 and the proactive cost reduction being overseen by Trustees along with the continued Commissioner and community support, in addition to the current level of free reserves at the year end, the Trustees consider that the charitable company has sufficient resources to continue in existence for the foreseeable future. Consequently the financial statements have been prepared on a going concern basis.

**Judgements and key sources of estimation uncertainty**

In preparing the financial statements, management is required to make estimates and assumptions which affect reported income, expenses, assets, liabilities and disclosure of contingent assets and liabilities. Use of available information and application of judgement are inherent in the formation of estimates, together with past experience and expectations of future events that are believed to be reasonable under the circumstances. Actual results in the future could differ from such estimates.

**Critical judgements in applying the company's policies**

The trustees do not consider that there are any significant judgements which have had to be made in preparing these financial statements.

**Critical accounting estimates and assumptions**

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful lives and residual values of the assets. The assumptions used regarding useful economic lives and residual values are assessed annually. They are amended when necessary to reflect current estimates based on market conditions and physical conditions of the assets.

Legacies are recognised as income when probate has been granted, the charitable company has established that it is entitled to the funds and the charity has sufficient information with which to estimate reliably the amount receivable.



Notes to the financial statements for the year ended 31 March 2020

2. **LEGAL STATUS OF THE CHARITY**

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity.

3. <b>NET INCOME</b>	2020	2019
	£	£
Net income is stated after charging/(crediting):		
Operating lease rentals - Land, buildings and equipment	154,660	171,938
Depreciation of tangible fixed assets	249,871	243,332
Loss/(profit) on disposal of fixed assets	-	-
	<u>154,660</u>	<u>171,938</u>

4. <b>INCOME FROM INVESTMENTS</b>	2020	2019
	£	£
Bank interest	2,061	2,630
Dividends	97,166	92,371
Rental income	6,675	9,802
	<u>105,902</u>	<u>104,803</u>

5. <b>ANALYSIS OF EXPENDITURE</b>	Direct costs	Support costs (note 6)	2020	2019
	£	£	£	£
<b>Costs of raising funds</b>				
Donations and legacies	240,192	67,449	307,641	283,413
Other trading activities	902,220	131,961	1,034,181	1,014,715
Scarborough Hospice Sales Limited	29,178	-	29,178	25,634
Saint Catherine's Hospice Lottery Limited	200,553	-	200,553	207,672
Investment management costs	15,676	4,402	20,078	20,495
<b>Other</b>				
Loss on disposal of fixed assets	-	-	-	-
<b>Charitable activities</b>				
Inpatient unit	1,791,160	502,985	2,294,145	2,271,706
Clinics & therapy	343,185	96,371	439,556	358,376
Community Care	1,166,466	170,611	1,337,077	1,311,182
Bereavement support services	214,101	60,123	274,224	274,154
Education	69,753	19,587	89,340	114,934
	<u>4,972,484</u>	<u>1,053,489</u>	<u>6,025,973</u>	<u>5,882,281</u>

Notes to the financial statements for the year ended 31 March 2020

6. ANALYSIS OF SUPPORT COSTS	2020 £	2019 £
Salaries	462,708	426,577
Premises	104,071	101,293
Consumables	66,924	59,400
Maintenance	60,019	72,360
Professional fees	90,834	83,450
Depreciation	204,682	192,436
Training	20,290	23,739
Governance	30,667	28,915
Transport	11,300	16,467
Sundry expenses	1,994	2,589
Total support costs	<u>1,053,489</u>	<u>1,007,226</u>

All support costs and governance costs are apportioned between the various activities in accordance with the levels of the direct costs. This method of apportionment represents a reasonable approximation of the usage of support costs and governance cost by each activity.

Allocated to:

**Expenditure on raising funds (note 5):**

Costs of generating donations and legacies	67,449	61,774
Other trading activities	131,961	123,421
Investments	4,402	4,468

**Expenditure on charitable activities (note 5):**

Inpatient unit	502,985	495,158
Clinics & therapy	96,371	78,114
Community care	170,611	159,483
Bereavement support services	60,123	59,757
Education	19,587	25,051
	<u>1,053,489</u>	<u>1,007,226</u>

7. PENSION COSTS

The trust operates two defined contribution pension schemes, the assets of which are held separately from those of the trust in independently administered funds. In addition, the trust also makes contributions to the NHS Pension Scheme, which is an unfunded defined benefit scheme. As the trust is unable to identify its share of the underlying assets and liabilities of the NHS Pension Scheme, this is also accounted for as a defined contribution scheme. Each member of the scheme pays a common contribution rate as set by the Government. The pension costs charge for the year represents contributions payable by the trust to the schemes.

Notes to the financial statements for the year ended 31 March 2020

7. PENSION COSTS - continued	2020 £	2019 £
Defined contribution schemes	90,310	79,422
NHS Pension Scheme	172,585	155,481
	<u>262,895</u>	<u>234,903</u>

Pension contributions amounting to £13,899 (2019 - £11,671) were payable to defined contribution schemes and £23,195 (2019 - £23,652) were payable to the NHS Pension Scheme at the year end. These amounts are included in creditors.

8. STAFF COSTS AND NUMBERS	2020 £	2019 £
Wages and salaries	3,910,616	3,800,958
Social Security costs	325,621	309,034
Pension costs	262,816	237,629
	<u>4,499,053</u>	<u>4,347,621</u>

The trustees do not receive any emoluments and are not reimbursed for any expenses incurred. The key management personnel of the trust and the group is the Executive Team, which comprises the Chief Executive, the Fundraising and Marketing Director, the Medical Director and the Clinical Services Director. The total employee benefits of the key management personnel was £352,300 (2019 - £336,724).

The total amount of termination payments recognised as expenditure in the Consolidated Statement of Financial Activities for the year was £21,202 (2019 - £6,781). These relate to redundancy payments, payments in lieu of notice and ex-gratia payments.

The number of employees whose total employee benefits, excluding pension contributions, were over £60,000, were as follows:

	2020 No.	2019 No.
£60,000 to £70,000	3	1
£70,000 to £80,000	2	1
£80,000 to £90,000	-	-
£90,000 to £100,000	1	1
	<u>1</u>	<u>1</u>

The average monthly head count of employees, analysed by function, was:

Ancillary staff	46	43
Administrative staff	22	25
Patient care	107	123
Shop staff	29	27
	<u>204</u>	<u>218</u>

Notes to the financial statements for the year ended 31 March 2020

9. CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
PRIOR YEAR COMPARATIVES FOR THE YEAR ENDED 31 MARCH 2019

	Unrestricted funds £	Restricted funds £	Total funds 2019 £
<b>Income and endowments from:</b>			
<b>Donations and legacies</b>			
Legacies	1,014,087	12,255	1,026,342
Donations	288,925	50,562	339,487
General trusts and foundations	61,811	25,348	87,159
Fundraising donations and sponsorship	246,580	-	246,580
<b>Charitable activities</b>			
Funding from Clinical Commissioning Groups	1,432,817	583,879	2,016,696
Education course income	23,287	-	23,287
<b>Other trading activities</b>			
Fundraising events	296,363	-	296,363
Charity shops	1,077,160	-	1,077,160
Room hire	5,213	-	5,213
Support services	42,036	-	42,036
Scarborough Hospice Sales Limited	44,048	-	44,048
Saint Catherine's Hospice Lottery Limited	354,138	-	354,138
<b>Investments</b>	104,803	-	104,803
<b>Total Income</b>	<u>4,991,268</u>	<u>672,044</u>	<u>5,663,312</u>
<b>Expenditure on:</b>			
<b>Raising funds</b>			
Donations and legacies	283,413	-	283,413
Other trading activities	1,014,715	-	1,014,715
Investment manager's costs	25,634	-	25,634
Scarborough Hospice Sales Limited	207,672	-	207,672
Saint Catherine's Hospice Lottery Limited	20,495	-	20,495
<b>Charitable activities</b>	3,655,079	675,273	4,330,352
<b>Other expenditure</b>			
Loss on disposal of fixed assets	-	-	-
<b>Total Expenditure</b>	<u>5,207,008</u>	<u>675,273</u>	<u>5,882,281</u>
<b>Net income/(expenditure) before other recognised gains</b>	(215,740)	(3,229)	(218,969)
<b>Net gains on investments</b>	<u>112,882</u>	<u>-</u>	<u>112,882</u>
<b>Net Expenditure</b>	(102,858)	(3,229)	(106,087)
Total funds brought forward	8,898,364	78,543	8,976,907
<b>Total funds carried forward</b>	<u><u>8,795,506</u></u>	<u><u>75,314</u></u>	<u><u>8,870,820</u></u>

Notes to the financial statements for the year ended 31 March 2020

10. OPERATING LEASES

Minimum lease payments under non-cancellable operating leases fall due as follows:

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
On land and buildings:				
Within one year	135,104	141,832	135,104	141,832
Within two to five years	356,046	251,464	356,046	251,464
Over five years	88,604	105,750	88,604	105,750
	<u>579,754</u>	<u>499,046</u>	<u>579,754</u>	<u>499,046</u>
On other assets:				
Within one year	6,252	8,012	6,252	8,012
Within two to five years	6,250	12,504	6,250	12,504
	<u>12,502</u>	<u>20,516</u>	<u>12,502</u>	<u>20,516</u>

11. TANGIBLE FIXED ASSETS - GROUP

	Freehold land & buildings	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
As at 1 April 2019	7,983,066	643,045	89,873	8,715,984
Additions	-	62,971	-	62,971
Disposals	-	-	-	-
	<u>7,983,066</u>	<u>706,016</u>	<u>89,873</u>	<u>8,778,955</u>
As at 31 March 2020				
<b>Depreciation</b>				
As at 1 April 2019	2,784,362	517,066	84,937	3,386,365
Charge for the year	186,248	60,994	2,629	249,871
Eliminated on disposal	-	-	-	-
	<u>2,970,610</u>	<u>578,060</u>	<u>87,566</u>	<u>3,636,236</u>
As at 31 March 2020				
<b>Net book value</b>				
As at 31 March 2020	<u>5,012,456</u>	<u>127,956</u>	<u>2,307</u>	<u>5,142,719</u>
As at 1 April 2019	<u>5,198,704</u>	<u>125,979</u>	<u>4,936</u>	<u>5,329,619</u>

Notes to the financial statements for the year ended 31 March 2020

<b>11. TANGIBLE FIXED ASSETS - CHARITY</b>	<b>Freehold land &amp; buildings</b>	<b>Fixtures, fittings &amp; equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
<b>Cost</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
As at 1 April 2019	7,983,066	640,548	89,873	8,713,487
Additions	-	62,971	-	62,971
Disposals	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2020	7,983,066	703,519	89,873	8,776,458
<b>Depreciation</b>				
As at 1 April 2019	2,784,362	516,616	84,937	3,385,915
Charge for the year	186,248	60,625	2,629	249,502
Eliminated on disposal	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2020	2,970,610	577,241	87,566	3,635,417
<b>Net book value</b>				
As at 31 March 2020	<u>5,012,456</u>	<u>126,278</u>	<u>2,307</u>	<u>5,141,041</u>
As at 1 April 2019	<u>5,198,704</u>	<u>123,932</u>	<u>4,936</u>	<u>5,327,572</u>
<b>12. FIXED ASSET INVESTMENTS - GROUP AND CHARITY</b>			<b>2020</b>	<b>2019</b>
			<b>£</b>	<b>£</b>
<b>Listed investments</b>				
Valuation at 1 April 2019			2,558,706	2,377,153
Additions			224,916	220,025
Disposals			(573,048)	(141,805)
Revaluation surplus/(deficit)			(260,919)	103,333
			<hr/>	<hr/>
Valuation at 31 March 2020			<u>1,949,655</u>	<u>2,558,706</u>
<b>Total group investments</b>			1,949,655	2,558,706
<b>Equity investments in subsidiaries</b>				
At 31 March 2019 and 31 March 2020			7	7
			<hr/>	<hr/>
<b>Total charity investments</b>			<u>1,949,662</u>	<u>2,558,713</u>
Original cost of investments stated at valuation			<u>1,690,494</u>	<u>2,038,626</u>

Notes to the financial statements for the year ended 31 March 2020

12 FIXED ASSET INVESTMENTS - GROUP AND CHARITY - continued

The investment in subsidiary undertakings comprises 100% of the issued share of Scarborough Hospice Sales Limited and Saint Catherine's Hospice Lottery Limited. Summaries of the results of the subsidiaries are as follows:

	2020 £	2019 £
<b>Scarborough Hospice Sales Limited (Company number: 02053320)</b>		
<b>Turnover</b>	47,967	44,048
Cost of sales	(18,877)	(16,441)
<b>Gross profit</b>	29,090	27,607
Operating expenses	(10,301)	(9,193)
<b>Profit on ordinary activities</b>	18,789	18,414
Interest payable and similar expenses	(1,000)	(1,250)
Amount gift aided to the charity	(17,789)	(17,164)
<b>Retained in subsidiary</b>	-	-
Assets	31,391	25,329
Liabilities	(30,385)	(24,323)
<b>Net assets</b>	1,006	1,006
Represented by:		
Capital	6	6
Reserves	1,000	1,000
	1,006	1,006
<b>Saint Catherine's Hospice Lottery Limited (Company Number: 03580724)</b>		
<b>Turnover</b>	353,923	354,138
Cost of sales	(131,810)	(126,175)
<b>Gross profit</b>	222,113	227,963
Operating expenses	(68,743)	(81,497)
<b>Profit on ordinary activities</b>	153,370	146,466
Amount gift aided to the charity	(153,370)	(146,466)
<b>Retained in subsidiary</b>	-	-
Assets	107,197	128,877
Liabilities	(106,186)	(127,866)
<b>Net assets</b>	1,011	1,011
Represented by:		
Capital	1	1
Reserves	1,010	1,010
	1,011	1,011

The registered office of both subsidiaries is Saint Catherine's Hospice, Throxenby Lane, Scarborough, North Yorkshire, YO12 5RE.

Notes to the financial statements for the year ended 31 March 2020

13. FINANCIAL PERFORMANCE OF THE CHARITY

The summary financial performance of the charity alone is as follows:

	2020 £	2019 £
Total Income	5,420,293	5,430,006
Total Expenditure	(5,796,242)	(5,648,975)
Net gains on investments	(254,592)	112,882
Net income/(expenditure)	(630,541)	(106,087)
Total funds brought forward	8,868,803	8,974,890
	<u>8,238,262</u>	<u>8,868,803</u>
Represented by:		
Restricted funds	99,773	75,314
Unrestricted funds	8,138,489	8,793,489
	<u>8,238,262</u>	<u>8,868,803</u>

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade debtors	556,127	32,521	554,019	32,521
Amounts owed by group undertakings	-	-	55,872	64,879
Other debtors	28,877	27,151	28,877	27,151
Prepayments	72,955	56,965	72,955	56,666
Accrued income	514,439	662,528	514,439	662,528
	<u>1,172,398</u>	<u>779,165</u>	<u>1,226,162</u>	<u>843,745</u>

15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	2020 £	2019 £	2020 £	2019 £
Trade creditors	54,774	62,984	48,514	60,151
Taxation and social security	90,555	82,613	87,959	77,964
Other creditors	12,746	19,786	12,746	12,786
Accruals	187,823	166,670	181,869	159,569
Deferred income	579,694	88,900	513,815	23,182
	<u>925,592</u>	<u>420,953</u>	<u>844,903</u>	<u>333,652</u>
Deferred income				
Balance brought forward	88,900	101,924	23,182	35,163
Amount released to the SOFA	(88,900)	(101,924)	(23,182)	(35,163)
Amount deferred in the year	579,694	88,900	513,815	23,182
	<u>579,694</u>	<u>88,900</u>	<u>513,815</u>	<u>23,182</u>



Notes to the financial statements for the year ended 31 March 2020

16. STATEMENT OF FUNDS

	Movement in resources				
	At 1 April 2019 £	Income £	Expenditure £	Investment Gains/(Losses) £	At 31 March 2020 £
<b>Group unrestricted funds</b>					
General fund	<u>8,795,506</u>	<u>4,979,546</u>	<u>(5,379,954)</u>	<u>(254,592)</u>	<u>8,140,506</u>
<b>Charity unrestricted funds</b>					
General fund	<u>8,793,489</u>	<u>4,749,815</u>	<u>(5,150,223)</u>	<u>(254,592)</u>	<u>8,138,489</u>
<b>Group and Charity restricted funds</b>					
Drugs and pharmacy services grant	-	34,847	(34,847)	-	-
Contract income	-	576,898	(576,898)	-	-
Legacies income	62,255	5,000	(5,000)	-	62,255
Trusts and foundation income	10,082	52,683	(27,484)	-	35,281
Donations income	2,977	1,050	(1,790)	-	2,237
	<u>75,314</u>	<u>670,478</u>	<u>(646,019)</u>	<u>-</u>	<u>99,773</u>
<b>Group total funds</b>	<u>8,870,820</u>	<u>5,650,024</u>	<u>(6,025,973)</u>	<u>(254,592)</u>	<u>8,240,279</u>
<b>Charity total funds</b>	<u>8,868,803</u>	<u>5,420,293</u>	<u>(5,796,242)</u>	<u>(254,592)</u>	<u>8,238,262</u>

**Unrestricted funds**

The general fund represents the free reserves of the charity that are not designated or restricted for a particular purpose

**Restricted funds**

The restricted funds represent monies received for specific purposes, as follows:

The drugs and pharmacy services grant represents the cost of drugs and pharmacy services supplied by the local Clinical Commissioning Group for use in the Inpatient Unit.

The restricted contract income includes £135,157 received to be spent on the End of Life Beds project, £139,761 to be spent on the Care Home Link Nurses Project Funding, £269,008 to be spent on the Hospice at Home project and £32,972 to be spent on Lymphoedema services.

The restricted trusts and foundation income includes £35,683 received to be spent on the refurbishment of the Wellbeing Centre, £1,000 to be spent on medical equipment for the Inpatient Unit, £10,000 to be spent on the refurbishment of rooms in the Inpatient Unit, £5,000 to be spent on the provision of services in Bridlington and £1,000 to be spent improving the standard of care support given to patients and their families.

The restricted donation income includes £1,050 received to be spent on the refurbishment of the Wellbeing Centre.

The restricted legacy income of £5,000 is to be spent on the provision of services in Whitby.

Notes to the financial statements for the year ended 31 March 2020

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

As at 31 March 2020		Tangible fixed assets £	Investments £	Net current assets £	Total £
Group					
Restricted funds		-	-	99,773	99,773
Unrestricted funds		5,142,719	1,949,655	1,048,132	8,140,506
		<u>5,142,719</u>	<u>1,949,655</u>	<u>1,147,905</u>	<u>8,240,279</u>
Charity		£	£	£	£
Restricted funds		-	-	99,773	99,773
Unrestricted funds		5,141,041	1,949,662	1,047,786	8,138,489
		<u>5,141,041</u>	<u>1,949,662</u>	<u>1,147,559</u>	<u>8,238,262</u>
As at 31 March 2019		Tangible fixed assets £	Investments £	Net current assets £	Total £
Group					
Restricted funds		-	-	75,314	75,314
Unrestricted funds		5,329,619	2,558,706	907,181	8,795,506
		<u>5,329,619</u>	<u>2,558,706</u>	<u>982,495</u>	<u>8,870,820</u>
Charity		£	£	£	£
Restricted funds		-	-	75,314	75,314
Unrestricted funds		5,327,572	2,558,713	907,204	8,793,489
		<u>5,327,572</u>	<u>2,558,713</u>	<u>982,518</u>	<u>8,868,803</u>

18. RELATED PARTY TRANSACTIONS

The total amount of donations received without conditions from the Trustees and the Executive Team was £6,074 (2019 - £8,951).

Notes to the financial statements for the year ended 31 March 2020

19. AUDITORS' REMUNERATION

	Group		Charity	
	2020	2019	2020	2019
	£	£	£	£
Ingham & Co				
Audit fees	11,790	11,790	7,485	7,485
Accountancy, taxation and other services	4,900	4,750	3,250	3,250
Moore Stephens				
Audit fees	-	-	-	-
Accountancy, taxation and other services	-	8,068	-	2,740
	<u>16,690</u>	<u>24,608</u>	<u>10,735</u>	<u>13,475</u>

20. FINANCIAL ASSETS AND LIABILITIES

	Group	
	2020	2019
	£	£
<b>Carrying value of financial assets</b>		
Financial assets measured at fair value	1,949,655	2,558,706
Financial assets measured at amortised cost	<u>585,004</u>	<u>59,672</u>
<b>Carrying value of financial liabilities</b>		
Financial liabilities measured at amortised cost	<u>158,075</u>	<u>165,383</u>

Financial assets measured at fair value comprise investments held at market value.

Financial assets measured at amortised cost comprise trade debtors and other debtors.

Financial liabilities measured at amortised cost comprise trade creditors and other creditors.

21. CONTINGENT ASSETS

At 31 March 2020 the charity has commenced legal action to recover two (2019 - two) legacies totalling £71,000 (2019 - £68,000). The charity is also seeking payment of a disputed legacy with an estimated value in the region of £127,000. These legacies have not been recognised and no provision for legal fees has been included in the financial statements.

At 31 March 2020, the charity had been notified of two residuary legacies (2019 - two) with an estimated value in the region of £62,000 (2019 - £328,000) which have not been recognised in the financial statements as they failed to meet one or more of the income recognition criteria.

The charity has also been notified of a further residuary legacy, the value of which is uncertain due to insufficient information being available. At the date of approval of the financial statements, no further information has been received and consequently this legacy has not been recognised in the financial statements.

22. POST BALANCE SHEET EVENTS

On 7 September 2020, being the last practical date prior to approval of the financial statements, the value of the charity's and group's listed investments had increased to £2,210,381. The increase in value is attributable to the world wide increase in the value of equity based investments since March 2020.

**Saint Catherine's Hospice Trust**

**Charity Statement of Financial Activities for the year ended 31 March 2020**

	Note	Unrestricted funds £	Restricted funds £	Total funds 2020 £	Total funds 2019 £
<b>Income and endowments from:</b>					
<b>Donations and legacies</b>					
Legacies		976,638	5,000	981,638	1,026,342
Donations		345,955	35,897	381,852	339,487
General trusts and foundations		46,056	52,683	98,739	87,159
Fundraising donations and sponsorship		208,614	-	208,614	246,580
<b>Charitable activities</b>					
Funding from Clinical Commissioning Groups		1,580,153	576,898	2,157,051	2,016,696
Education course income		19,770	-	19,770	23,287
<b>Other trading activities</b>					
Fundraising events		156,736	-	156,736	296,363
Charity shops		1,083,593	-	1,083,593	1,077,160
Room hire		4,160	-	4,160	5,213
Support services		50,079	-	50,079	42,036
Scarborough Hospice Sales Limited		17,789	-	17,789	17,164
Saint Catherine's Hospice Lottery Limited		153,370	-	153,370	146,466
<b>Investments</b>		106,902		106,902	106,053
<b>Other income</b>					
Gain on disposal of fixed assets		-	-	-	-
<b>Total Income</b>		<u>4,749,815</u>	<u>670,478</u>	<u>5,420,293</u>	<u>5,430,006</u>
<b>Expenditure on:</b>					
<b>Raising funds</b>					
Donations and legacies		307,641	-	307,641	283,413
Other trading activities		1,034,181	-	1,034,181	1,014,715
Investment manager's costs		20,078	-	20,078	20,495
<b>Other</b>					
Loss on disposal of fixed assets		-	-	-	-
<b>Charitable activities</b>		<u>3,788,323</u>	<u>646,019</u>	<u>4,434,342</u>	<u>4,330,352</u>
<b>Total Expenditure</b>		<u>5,150,223</u>	<u>646,019</u>	<u>5,796,242</u>	<u>5,648,975</u>
<b>Net income/(expenditure) before other recognised gains</b>		(400,408)	24,459	(375,949)	(218,969)
<b>Net gains on investments</b>		<u>(254,592)</u>	<u>-</u>	<u>(254,592)</u>	<u>112,882</u>
<b>Net Income/(Expenditure)</b>		(655,000)	24,459	(630,541)	(106,087)
Total funds brought forward		<u>8,793,489</u>	<u>75,314</u>	<u>8,868,803</u>	<u>8,974,890</u>
<b>Total funds carried forward</b>		<u><u>8,138,489</u></u>	<u><u>99,773</u></u>	<u><u>8,238,262</u></u>	<u><u>8,868,803</u></u>

Non- Statutory notes to the consolidated financial statements for the year ended 31 March 2020

ANALYSIS OF EXPENDITURE	2020 £	2019 £
<b>Costs of generating donations and legacies</b>		
Salaries	216,541	192,643
Transport	308	188
Publicity	16,002	22,853
Consumables	3,618	1,296
Maintenance	1,401	613
Sundry expenses	1,739	3,438
Professional fees	583	608
Depreciation	-	-
Support costs (note 6)	67,449	61,774
	<u>307,641</u>	<u>283,413</u>
<b>Other trading activities</b>		
Salaries	529,272	504,528
Transport	25,341	21,904
Premises	214,614	217,360
Consumables	72,499	91,178
Maintenance	18,008	17,486
Sundry expenses	7,860	5,516
Professional fees	12,182	11,188
Depreciation	22,444	22,134
Support costs (note 6)	131,961	123,421
	<u>1,034,181</u>	<u>1,014,715</u>
Scarborough Hospice Sales Limited	29,178	25,634
Saint Catherine's Hospice Lottery Limited	200,553	207,672
	<u>1,263,912</u>	<u>1,248,021</u>
<b>Investment management costs</b>		
Fund managers' fees	15,676	16,027
Support costs (note 6)	4,402	4,468
	<u>20,078</u>	<u>20,495</u>
<b>Charitable activities</b>		
<b>Inpatient unit</b>		
Salaries & external labour	1,619,744	1,576,455
Transport	2,870	1,955
Premises	672	6,930
Consumables	119,631	122,751
Maintenance	31,780	39,432
Sundry expenses	1,982	6,073
Professional fees	3,735	2,373
Depreciation	10,746	20,579
Support costs (note 6)	502,985	495,158
	<u>2,294,145</u>	<u>2,271,706</u>

Non- Statutory notes to the consolidated financial statements for the year ended 31 March 2020

<b>ANALYSIS OF EXPENDITURE - continued</b>	2020 £	2019 £
<b>Clinics &amp; therapy</b>		
Salaries & external labour	271,866	232,849
Transport	461	1,519
Premises	25,856	4,395
Consumables	25,532	27,486
Maintenance	5,763	4,624
Sundry expenses	1,331	730
Professional fees	747	475
Depreciation	11,629	8,184
Support costs (note 6)	96,371	78,114
	<u>439,556</u>	<u>358,376</u>
<b>Community care</b>		
Salaries & external labour	1,136,740	1,120,597
Transport	26,358	28,365
Training		-
Consumables	380	838
Professional fees	2,988	1,899
Support costs (note 6)	170,611	159,483
	<u>1,337,077</u>	<u>1,311,182</u>
<b>Bereavement support services</b>		
Salaries & external labour	210,296	210,942
Transport	3,548	3,315
Consumables	-	-
Sundry expenses	257	140
Support costs (note 6)	60,123	59,757
	<u>274,224</u>	<u>274,154</u>
<b>Education</b>		
Salaries & external labour	57,493	78,035
Training	4,544	3,644
Consumables	6,559	6,865
Maintenance	575	879
Sundry expenses	582	460
Support costs (note 6)	19,587	25,051
	<u>89,340</u>	<u>114,934</u>
<b>Other</b>		
Loss on disposal of fixtures, fittings and equipment	<u>-</u>	<u>-</u>
<b>Total expenditure</b>	<u>6,025,973</u>	<u>5,882,281</u>