



Annual report and financial statements

For the year ended 31 March 2020

Charity registered in England and Wales No. 1014851

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Acknowledgements

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We are extremely grateful to all the trusts, foundations, individual donors and event participants, without whom our work would not be possible, and to the generous people who left a gift to Hospice UK in their will, or have pledged to do so in the future.

We would like to thank our Vice-Presidents, Hospice UK Ambassadors, the Development Board and the London Events Committee.

We would also like to thank all of our staff and volunteers, including the many staff and trustees from hospices who contribute to our work.

Strategic Report

Who we are

Hospice UK is the national charity for hospice and palliative care. We work to ensure all adults and children living with a terminal or life-shortening illness receive the care and support they need, when they need it.

Our Vision

We believe that everyone, no matter who they are, where they are or why there are ill, should receive the best possible care at the end of their life. No one should die in avoidable pain or suffering.

Our Mission

Our mission is to transform the way society cares for the dying and those around them. To empower individuals, communities and populations to embrace the ethos of hospice care and extend its breadth and reach to improve everyone's experience of death, dying and bereavement.

Strategic Priorities

The charity entered the third year of its ambitious five-year strategy to 'Open Up Hospice Care'

Our four strategic priorities are to:

1. Extend our reach and enable hospice quality care to be delivered in any setting
2. Tackle inequality and widen access to hospice care
3. Work with communities to build capacity and resilience to care for those at the end of life
4. Empower a strong, dynamic and responsive hospice sector

A version of our strategy that highlights how our priorities are relevant to the children's hospices in the UK is available on our website.

Public benefit

We have referred to the Charity Commission’s general guidance on public benefit when reviewing our aims and objectives and in planning our future activities. In particular, we consider how our planned activities will contribute to the aims and objectives we have set.

We are here to support hospices and other palliative care organisations make a difference in the UK. Hospice care is free - provided in someone’s home, at the hospice or in the community, and can be for days, months or years.

In the following sections, we give you a snapshot of activities undertaken this year to meet our charitable objectives.

Activities, Achievements and Performance

Strategic Priority 1: Extend our reach and enable hospice quality care to be delivered in any setting

a) Project ECHO (Extension for Community Healthcare Outcomes)

Project ECHO aims to change the way in which people communicate and learn specialist knowledge on clinical, academic or business challenges, enabling all to teach and all to learn as a community. ECHO provides a specific proven methodology for building and supporting communities of practice that are crucial to achieving transformation for the end of life care sector.

ECHO networks support organisational change from hierarchal to network-informed decision making which accounts for the reality of the social, physical, spiritual, emotional and financial complexities involved in offering appropriate end of life care for all.

Our aim at the start of the year was to train 30 hospices. In partnership with Highlands Hospice in Inverness and St Luke’s Hospice in Sheffield, we trained 36 hospices and supported 65 networks in ECHO methodology. However, with the onset of the COVID-19 pandemic, further training was paused and the focus shifted to use ECHO methodology to support clinical and business continuity across the end of life care sector. A nationwide ECHO for both these areas has regularly brought the sector together through the crisis in an unprecedented way. These interactive learning events are forming part of a new emergent palliative care community with over 800 professionals who regularly join.

ECHO trained hospices have also stepped up to expand their own networks to include training and support for GPs, pharmacists, hospices, care homes or clinicians in the acute sector. Our contract with the Health and Social Care Board (HSCB) in Northern Ireland has also adapted to meet the demands of COVID-19 and has supported transformational change in the delivery of healthcare in Northern Ireland.

Through the adoption of ECHO methodology, we have modelled new ways of networking that transforms care and most importantly increases the number of patients supported.

b) NHS England funded project on the impact of hospice led interventions on acute hospital use at the end of life (HOLISTIC project)

Hospice UK is leading a groundbreaking study to examine the impact that hospice interventions have on the amount of time that people spend in a hospital bed. Ultimately, we hope the results of this research will help to reduce the number of people dying in hospital who have no clinical need or wish to be there.

The HOLISTIC project (Hospice Led Innovations Study To Improve Care) was commissioned by NHS England in January 2017, and has a qualitative element, which involves interviews with staff and patients in local services and other stakeholders, and a quantitative element, which involves analysis of NHS data to assess the impact of the hospice interventions.

A paper written by the research team examining the evidence base for hospice led interventions was accepted for publication in the BMC Palliative Care in March 2020.

The study has experienced significant delays due to difficulties in obtaining the data we needed from NHS Digital to carry out the final analytical phase of the project. However, this year we have completed analysis of a number of the 27 different hospice led interventions included in the study cohort, and we are now in the process of completing the final analysis.

c) Affected voices

The People in Partnership (PIP) Forum puts the voice of those with lived experience of end of life and palliative care at the heart of Hospice UK's work. It brings together people with personal experience, current or former carers and people with professional experience of user involvement, to shape and improve future care.

The Forum has contributed to our work with valued input at our National Conference. This included being part of the conference planning team, designing and leading conference sessions on stakeholder engagement and co-chairing sessions that addressed the challenges of workforce development. The chair of the group was also part of the abstract review team and on the selection panel that considered applications for the annual Hospice UK Awards.

Due to COVID-19, challenges to working practices in the healthcare system has given opportunity to review and reconsider the reach and representation on the group.

Hospice UK is proud to have become a member of National Voices this year, a coalition of health and social care charities that supports and advocates for person centred care.

d) Research and Clinical Innovation

In autumn 2019, we appointed a Head of Research and Clinical Innovation, which has furthered our transfer of knowledge from academic research into clinical practice. Work with Hull University has enabled us to embed the use of outcome measurement, and progress further training for those using evidence-based approaches in their clinical practice.

Further appointments in the clinical team included Senior Clinical and Quality Improvement Leads to support the integration of Quality Improvement methodology through our clinical programmes and six clinical Communities of Practice. This work is vital as Hospice UK reshapes our support to clinicians to meet the increased challenges resulting from COVID-19.

For the scientific poster exhibition at the annual Hospice UK National Conference this year, we received 356 abstracts. Hospice UK organised and ran the reviewing panel, made up of 22 experts from across hospice and palliative care, who chose 270 posters and 24 oral presentations. We gratefully received support for the exhibition from BMJ Supportive & Palliative Care (an official journal of Hospice UK).

Strategic Priority 2. Tackle inequality and widen access to hospice care

a) Young people and transition to adult services programme

In September 2019, a three-year project began to consider and address the need of young people with long-term conditions as they make the transition from children to adult services. We identified three sites that were trained to become ECHO Hubs to facilitate learning and participate in the project. The project is paused due to COVID-19 with the aim of restarting in September 2020.

b) National Data Pilot

Throughout the year, we continued our pilot for a new National Data Programme. The programme involves the collection of patient level demographics and a hospice care dataset, which we believe will enable easier planning, impact assessment and service delivery.

During this year, we have tested the data set that we developed with a group of hospices, and are now evaluating the success of this pilot programme and considering the next steps.

c) Clinical Communities of Practice

Community of Practice (COP) is a facilitated network based around common interests that bring together clinical leaders, managers and practitioners across the hospice sector and beyond.

During the last year, we have grown and established six COP to address and meet current clinical challenges. They meet as a webinar, half-day event or using ECHO methodology on a monthly basis, working to a participant-led curriculum.

During the early stages of the COVID-19 Pandemic the COP were paused. Seven will be re-established and include Clinical Leaders, Hospice and End of Life Care Educators, Supporting Carers and their Families, Dementia Care, Patient Safety, Infection Control and Prevention, and Research Outcomes in Practice.

d) Widening access to care

Hospice UK is helping to extend the hospice care ethos to veterans and their families through a grants programme generously supported by The Aged Veterans Fund. Three unique projects help to reduce social isolation and improve wellbeing for male and female veterans. Activities have included

a documentary project to record veteran's stories, training volunteer 'veteran companions' for peer support, and providing specific day care and bereavement support. To date the project has assisted over 300 veterans.

As well as providing the funding, Hospice UK provides ongoing support and expertise. The projects' are expected to complete in the summer of 2020 but are currently delayed due to COVID-19. On project completion, an impact report will be produced so learning can be shared with other organisations providing similar support.

Our Community-led Hospice Care programme, funded through the National Lottery Communities Fund, completed this year. Four pilot projects sought to find innovative ways to meet palliative and end of life care needs across different sections of society. Each involved new ways of working between a local hospice and community partner(s) to reach specific people with unmet need.

In Wolverhampton, Compton Care was aware that the people using its services did not match the local population, particularly with regard to the South Asian (SA) community. The pilot established a service to engage with the community, overcome barriers to accessing hospice support and help increase the community awareness of end of life care. It sought to find community champions and improve the hospices' understanding of this community's needs.

At St. Christopher's Hospice in London, the grant enabled their 'Compassionate Neighbours' (CN) project to be extended into the London Borough of Croydon to reach different faith and ethnic minority groups. This work established a 'befriending' model that pares a volunteer with someone in their community with end of life care needs for support and companionship. In addition, research revealed a need for more carer support to prevent or alleviate the pressures of caring for a loved one with a progressive illness. The Coach4Care element of the work enables that support from within the local community

Hope Support Services is for young people who have a close family member diagnosed with a life threatening illness. Their project helped dispel myths about hospices. The planning and design of the approach was youth-led to ensure the project was relevant to young people. The grant also contributed to an Outreach Worker to encourage collaborative work between Great Oaks Dean Forest Hospice and Hope initiatives. Hope is feeding back into the hospice to educate professionals and volunteers about the needs of young people experiencing family health crises.

Mountbatten Hospice on the Isle of Wight is the sole hospice in this island community. The 'Responsible Communities' project was set up to engage neighbourhoods on the island to support frail, vulnerable, people living in the community who are in their last years of life. Leaders in each of the four initial neighbourhoods (then extended to six) were supported to take ownership and provide local leadership, using the Mountbatten shops as a meeting place to further the connection across generations in the community through health and wellbeing events and by extending the reach of hospice care to those who would otherwise be isolated.

Strategic Priority 3. Work with communities to build capacity and resilience to care for those at the end of life

a) Working with corporate partners

We have received amazing support throughout the year from our corporate partners that enables the provision of end of life care.

One of our biggest supporters is the National Garden Scheme, who donated an incredible £500,000. This would not have been possible without the support of over 3,500 private gardens, which opened to raise money to support care across the UK.

In January 2020, we began working with Deutsche Bank in the UK. Their community of employees have been going the extra mile to support us during the first three months of our partnership. They've been running, quizzing, volunteering and taking up yoga all to support Hospice UK. We look forward to utilising their skills and working strategically together to transform hospice care across the UK and change how society thinks and talks about death, dying and grief. By working collaboratively as partners, we are set to achieve a long-lasting impact on hospice care.

We are also proud to be working with our retail partners: New Look and Joules. New Look inspired their customers to donate good quality, pre-loved clothes to their local hospice shop, reducing clothing waste and increasing support for their local hospice. Last year we managed to support over 250 hospice shops and New Look stores and hope to expand this in the future. Our partnership with Joules is going from strength to strength, with customer and colleagues raising over £13,500 in stores, as well as supporting their local hospices by volunteering, raising awareness and donating products.

We were delighted to continue our work with The Co-operative Bank, with over £50,000 donated by customers through their Everyday Rewards Account rewards.

b) Providing information to the public

This year we had 434,000 people seeking information about hospice and palliative care. Thanks to project funding from NHS England we updated our 'Find a hospice' service on our website so that additional services like day care, wellbeing hubs and bereavement help points are recorded for each hospice along with the location of the main site, thereby giving the user a more detailed picture to find the right help.

c) Talking about death, dying and grief

Dying Matters Week takes place in May each year, along with Byw Nawr in Wales. These are public-facing campaigns, encouraging people to talk about dying, death and bereavement and to put plans in place. They have support from a wide coalition of partners.

Dying Matters activities are organised and funded by local volunteers, ranging from individuals to broad local coalitions, covering commercial, charity and other groups who reach out to the public. Dying Matters brings about change by encouraging and enabling people to talk about these issues.

Hospice UK coordinates and promotes the annual awareness week in May and provided grants to organisations in Wales to fund local awareness raising events.

There were 426 registered events held for May 2019, which included death cafes, cemetery tours and a one-woman play about grief from New York for the Awareness Week. The total includes 25

Byw Nawr events in Wales, up from 23 the year before. News coverage about Dying Matters Awareness Week increased this year with 418 news items, compared to 360 in 2018.

To grow our offering to our 12,000 Dying Matters supporters, in October 2019 we introduced ‘I Remember’ a digital online campaign that aimed to provide people with a focus on remembering their loved ones in the run up to the Day of the Dead and Halloween. The campaign reached over 11 million on digital channels and it will run again in 2020. Other activity included a supporter’s workshop in January 2020, generously sponsored by Dignity Funerals, to prepare for the May Dying Matters Awareness Week.

We also produced a set of new leaflets available for download on the Dying Matters Website. Between January 2020 and the end of March 2020, over 10,900 leaflets were downloaded.

d) Compassionate Employers

During the year, we worked with businesses and experts to develop a workplace programme called Compassionate Employers. Through a series of resources, signposting, workshops and an Award, the programme aims to provide solutions to the challenges that employees and employers face if they, or someone close to them, are coping with terminal illness, caring responsibilities or bereavement. The Compassionate Employers programme launched in January 2020 and we now have two companies paid and signed up.

Strategic Priority 4. Empower a strong, dynamic and responsive hospice sector

a) Advocacy

Hospice UK works with all political parties and with decision makers throughout the health and care system, across the four nations of the UK to support the development of policy to improve care for people affected by terminal illness. During this year, our work has had a major impact on government policy affecting hospice and palliative care services and the people that depend upon them.

We successfully persuaded the Westminster government to mitigate the impact of a rise in the employer contributions to the NHS Pension Scheme in England, which would have otherwise added approximately £30 million to charitable hospice costs. We also worked to try to ensure that the governments of Scotland, Wales and Northern Ireland also took steps to reduce the impact.

In April 2019, we published the results of a survey that showed that 715 of hospices had experienced cost increases higher than the rate of inflation in the last two years and that 35% of hospices had already reduced services or were planning to. Furthermore, 56% planned to delay or cancel plans to introduce new services or to expand existing services. Cost increases had in part been the result of changes to NHS staff pay. While the clinical staff working in most charitable hospices aren’t employed on NHS terms, there is little choice but to match NHS pay levels in order to recruit and retain staff.

During the year, we produced evidence that formed the basis of an approach to the Government to provide additional funding for hospice and palliative care services in England. In August, the Prime

Minister announced £25 million in additional funding for hospice and palliative care services, and we worked closely with NHS England to help design a mechanism to distribute the funding to the front line quickly and efficiently. We also worked with the governments of Scotland, Wales and Northern Ireland to establish whether this additional English funding would trigger additional investment in Scotland, Wales and Northern Ireland.

In November 2019, the Government triggered a General Election. This was an opportunity to raise the profile of hospice and palliative care. Our approach was twofold. Firstly, to ask all political parties to prioritise improvements in palliative and end of life care in their respective manifestos, and secondly, to encourage and support local hospices in reaching out to candidates standing in their areas to raise the profile of hospice and palliative care.

Once the election was called, we produced a document setting out our challenge to the next government, which we shared in the form of a briefing document with the manifesto teams of all the main parties contesting the election. We also provided detailed guidance for charitable hospices on charity and election regulations concerning campaigning. In addition, we produced a template letter for charitable hospices to use to approach candidates standing in their area to help raise awareness of hospice and palliative care.

Ultimately, the manifesto for the Conservative Party picked up our messages and included a commitment to hospice and palliative care that we can now use to ensure further progress in the current Parliament.

We have also worked to promote hospice and palliative care in the Parliaments and Assemblies of the UK. In England, we provide the secretariat to the All-Party Parliamentary Group for Hospice and End of Life Care, which we have been supporting to examine inequalities in end of life care. Following the General Election we needed to reconstitute the group and are pleased that in this Parliament, Jack Dromey MP and Baroness Finlay of Llandaff will be the group's co-chairs. In Wales, we also provide the secretariat to the Cross Party Group of Hospice and Palliative Care.

In October, we held a reception in the Senedd for hospice staff and volunteers, hosted by Helen Mary Jones AM, and attended by several Assembly members. Speeches at the reception highlighted the contribution and impact of hospice services on people's lives, and the importance of meeting population needs. The Deputy Minister for Health & Social Services, Julie Morgan AM, spoke for the Welsh Government.

Towards the end of this year, our work shifted gear because of the COVID-19 crisis and we prioritised action to maintain critical hospice services, building a case to Government for emergency support.

b) Support for the hospice and palliative care workforce

Following feedback from our Advisory Council, the priority in 2019-20 was clinical workforce requirements in order to enable a retained, sustained, empowered and professional workforce fit for the future. Therefore, the year's focus has been on nursing career pathways, apprenticeship routes into nursing careers and developing clinical leadership capacity across the sector.

In May 2019, Hospice UK hosted a multi-disciplinary workshop for participants across the sector to share the latest thinking in recruitment and retention of nurses. The workshop delivered peer-to-peer learning about working practice and shared resources in order to establish a workforce, education and learning network. The network has over 70 representatives regularly meeting and actively contributing to a Resource Pack - a live repository of information available on the Hospice UK website.

Working in partnership with Health Education England a workshop in April 2019 shared the latest developments in the progression of the new Nursing Associate role. 80 delegates from across the country shared experiences of trainee Nursing Associates within the hospice sector. Over 40 Hospices have embraced the registered Nursing Associate role as part of their overall workforce plans for the future.

Working with Cass Business School, we delivered the first Masters programme module for Hospice Leadership with 11 students completing the module over 3 months. The course focuses on the challenges and opportunities facing hospice leaders and includes strategy, culture, partnership, leadership and workforce development. We also continued our successful flagship strategic leadership partnership with the Westcott Group bringing the total to over a 100 hospice leaders benefiting from this programme. The award-winning programme enhances a leader's ability to lead complex change. This year we delivered a series of webinars to share practice and resources for implementing apprenticeships into nursing. We facilitated discussion with strategic and HR leaders about the roles within the workforce skill mix, shared guidance about the use of the apprenticeship levy, explored the requirements of training providers, assessment standards and apprentice and employer responsibilities.

To mark the centenary of the birth of Florence Nightingale, we worked with the Florence Nightingale Foundation to fund two hospice nurses to join the Nightingale Leadership Programme. We also joined the 2020 international celebration of Year of the Nurse with a series of videos of hospice nurses from across the UK, shared on social media. Three videos launched ahead of the COVID Pandemic when the centenary celebrations were paused.

c) Hospice Care Week

In October 2019, the ninth annual Hospice Care Week highlighted the theme 'This Is What It Takes'. We produced a range of resources and materials for hospices to use. The reach of the campaign continues to grow, with 80% of member hospices now participating. There was an increase of 37% in web traffic compared to 2018 and an increase in overall media pieces from 185 in 2018 to over 200 this year. Tweets during the week were seen 370,000 times.

d) Hospice UK Ambassadors Programme

Hospice UK Ambassadors are a group of like-minded people who believe in outstanding palliative care for every person in need. They support Hospice UK in a number of ways by giving financially, by raising awareness of our work and by connecting us with key contacts to further our cause.

This year we also launched our Development Board. Chaired by Merrill Powell, the Development Board aims to help Hospice UK across different areas of our work. We are hugely grateful to our Development Board members who volunteer their time, experience and influence to support our strategic aims.

e) Practical support for hospices

Our November annual conference ‘Dying for Change’ took place at the ACC Liverpool, focusing on the themes of evolution and revolution. Plenary sessions explored how we can develop hospice care to meet the ever-changing and complex needs of a growing, ageing population. Through sharing ideas and good practice, and challenging current ways of working, we can start to identify radical new solutions to take our sector forward – by evolving what we already do as well as being revolutionary.

For the first time the conference achieved the Patients Included Conference Charter accreditation. This recognises commitment to incorporating the experience of patients and carers and was achieved thanks to work with our People in Partnership Group

Over 90% of respondents rated the event good or excellent.

We also held a range of other training programmes and events through the year, including our Fundraising Conference: ‘A deep dive into corporate fundraising: Hospices mean business’.

In addition, we worked closely with the Forum of Hospice Chairmen throughout the year to promote good governance in hospices and share learning to support hospice trustees. This included running workshops and training sessions on the relationship between a chair and chief executive. Our eight hospice governance good practice guides remain popular and are downloaded regularly from our website. Following the COVID-19 crisis, our courses and conferences programme is on hold.

f) A sector fit for the future

Our ‘Evolution and Revolution’ programme looked at the challenges facing the dying and their families today and considered what we can do in the short term to evolve services to meet immediate needs but also to look longer term at the change that is needed.

This is an ongoing theme, started this year. We began by bringing together a group of senior hospice leaders to explore how we might revolutionise end of life care and what would be needed to build a momentum of change. As a result of their discussions, we launched a ‘Community of Imagination’ to trial an innovation programme for death, dying and loss.

The aim of the programme was not to improve hospice care but instead to reframe the problem to enable different service solutions to meet people’s needs and improve society. 23 hospices volunteered to participate in this trial and over 3 months received training and support in innovation methods including how to reframe a problem, ethnography and prototyping. Teams of volunteers and clinical staff in hospices then used these methods to design and implement small-scale practical experiments shaped around questions they had identified such as ‘how can we enable people to

have real choice at the end of life?’ and ‘how can we help people consider the gift of thinking about death to help them enjoy their life?’.

In parallel we designed and hosted an exploratory event ‘Revolutionary Clinicians’ with the aim to challenge thinking and start to design and explore new models of hospice and palliative care services. The workshop gave various perspectives from the impact of architecture and structure on the experience of care, planning a new service for an inner city population and learning from the experience of setting up services in developing nations. The day challenged the thinking of those who attended. It allowed creative thought to flow and led into the planning for the Revolutionary sessions at the 2019 National Conference.

In the long-term, our success will be measured by whether we can develop new models in practice that prove more effective than the current system.

g) Organisational values

In April 2019, Hospice UK staff were asked to suggest and vote for new organisational values they thought best represent our future direction. Staff chose the following:

- We work in Collaboration
- We work with Compassion
- We are Innovative
- We are Inclusive
- We are Knowledgeable

A programme of work to embed the new values is underway through formal processes such as recruitment, probation, performance management, and informally through the staff forum, staff star awards, staff meetings and wellbeing events.

To ensure continued engagement; staff have been involved in designing a two-day training programme to ensure our values underpin our work culture. A pilot was delivered in January 2020 and training will be rolled out to Hospice UK staff by the end of the year.

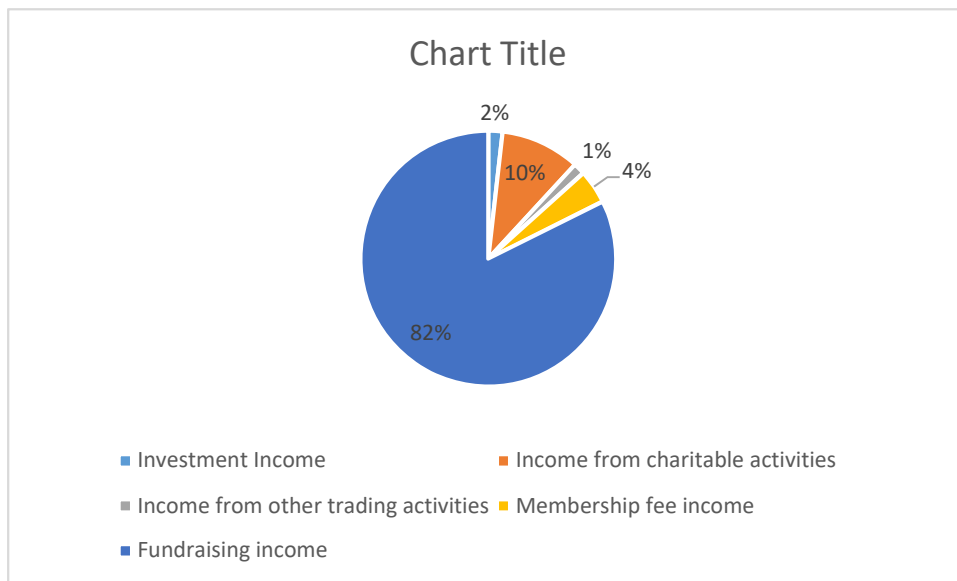
Financial review

Overall Financial Performance

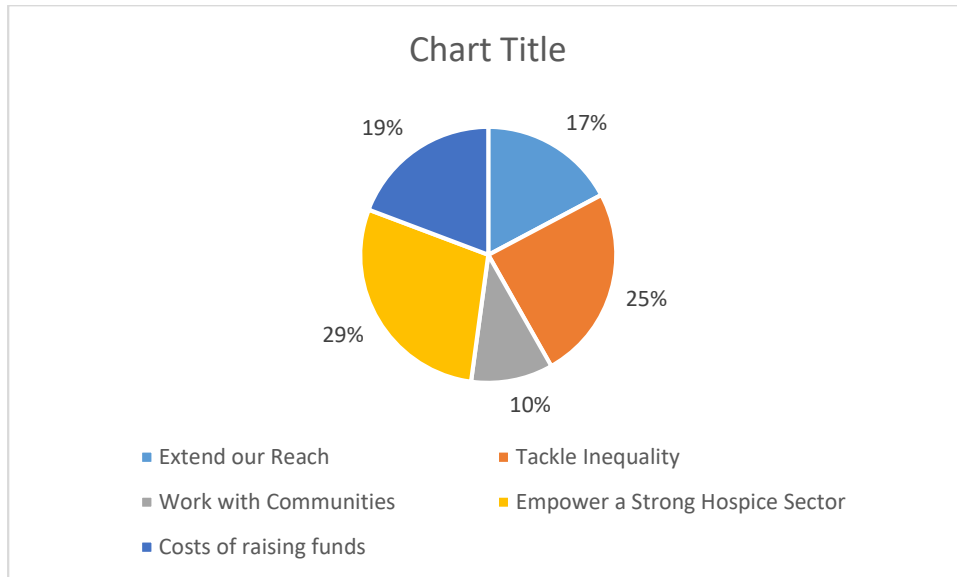
Our net movement on funds, before investment gains, was a loss of £75,000 (2018/19: surplus £459,000).

The key indicator by which the trustees measure our financial performance is the surplus or deficit on unrestricted general funds, before any investment gains / losses. We recorded a deficit on unrestricted general funds of £180,000 (2018/19: £615,000 surplus) before investment losses. This performance was around £300,000 better than budgeted and therefore the trustees were satisfied with the performance.

Our total income for 2019/20 was £6.4M. This was down on the prior year (£7.2M), as the previous year had been affected by exceptional legacy income. The chart below shows the proportion of our income coming from various sources and highlights that, unusually for a membership organisation, we are very reliant on fundraising income, which represents 82% per cent of our total income.



Total expenditure fell slightly from £6.7 million in the previous year to £6.5M in 2019/20. We spent 81% of our income on charitable activities, split across our four strategic priorities and 18% on our fundraising activities.



Our trading subsidiary made a profit of £133k (2018-19: £278k), which was donated to the charity under Deed of Covenant. As well as advertising income, the trading subsidiary runs education and training events, and carries out some fundraising activities, all under the control of and for the benefit of the charity. The higher surplus in the previous year was due to the success of a number of large one-day events, some of which were one off.

Investment policy and performance

Our investment performance and holdings are regularly reviewed by the Finance Committee against a benchmark of similar investments. Our investments are held in line with our investment policy, which lays out guidelines for risk and asset mix, as well as ensuring there are appropriate ethical policies in place. Each of our investments performed in line with, or better than, its benchmark, and therefore overall the trustees were satisfied with this performance.

In the financial year under review, our investments decreased in value by £225,000 (2018/19: £48,000 increase). We also generated income of £114,000 (2018/19: £120,000) from our investments and cash holdings.

Principal Funding Sources and Fundraising Strategy

The vast majority of the charity's income comes from fundraising income. More than half of this income is non-recurring, and therefore significant new fundraising income needs to be generated each year. The biggest sources of fundraising income are income from corporate partnerships and charitable trusts. Legacies, payroll giving and fundraising events are also significant sources. Our fundraising strategy focussed on maximising donations from existing income sources, while developing new income streams. To that end, we hope to grow our donations from corporate partners, commercial sponsors, major donors and individuals in future years.

Reserves policy

The trustees have reviewed the reliability of income streams, our commitment to future expenditure and the risks we face as a charity. We are dependent on some volatile forms of fundraising income and much of our income is only committed for one year. However, we do have some forms of more reliable income, and our income streams are becoming more diverse as we seek to reduce our risk.

We aim to hold free reserves (defined as unrestricted general funds) representing six months of budgeted core expenditure for the next financial year (equivalent to £2.7m in unrestricted reserves). We define core expenditure to be expenditure that we are committed to in the short term. This is to ensure that we can meet our commitments to member hospices, our staff and other stakeholders, should our annual income not meet our expectations. Should our free reserves significantly exceed the levels set out in this policy, we will review our activities appropriately, and authorise additional expenditure on specific projects.

At 31 March 2020, the charity had total funds of £6.4M. Of these, £1.2M represent funds whose use has been restricted by the donors, and therefore they are not available for the general purposes of the charity.

A further £2.8M represent designated funds.

- The most significant designated fund is the tangible fixed asset fund, with a value of £1.2M. This represents the depreciated cost of Hospice House, which is owned by the charity.
- £0.2M has been set aside for significant repairs and maintenance to Hospice House given the building is over fifty years old. We expect this to be spent over the next five to ten years.
- The trustees have also set aside £1.1M which has been generated through exceptional legacy income in recent years as a designated funds to achieve our strategic goal of Opening Up Hospice Care.
- A further £0.3M has been set aside to develop our web and IT infrastructure over the next five years. This includes spending on a new website planned for 2020, which is necessary following our merger with the National Council for Palliative Care in 2018.

Therefore, the amount of unrestricted general reserves that the charity holds at 31 March 2020 is £2.4M (2018-19: £2.6), which is broadly in line with our reserves policy. The trustees are confident that the charity has an appropriate financial and operational plan in place to enable it to fulfil its strategic goals over the coming years.

Impact of COVID-19 on our Activities and Finances

In common with all organisations in the UK, we expect our activities and finances in 2020-21 to be significantly impacted by the COVID-19 pandemic.

We significantly reviewed our activities in March 2020, moving to an emergency business plan for the six months between April and September 2020. That business plan is focussed on ensuring that hospices and other organisations delivering palliative care have the information and resources needed to continue providing care to their beneficiaries. To do that we are expanding on information sharing activities, including through webinars and ECHO learning events. We are also working with NHSE to deliver funding to hospices in England, and working with the devolved governments of Scotland, Wales and Northern Ireland to ensure hospices in those countries receive the financial support they need.

We have estimated that the difficult economic situation could lead to a reduction in our income of around £1M in 2020-21. We will do our best to raise this income from other sources, but if necessary we will use our reserves ensure we do not reduce our activities to support our beneficiaries at this time. The trustees are confident the charity has sufficient reserves should this be necessary. They have reviewed the reserves policy in light of the potential impact of COVID-19 and have concluded that it remains appropriate.

We have invested significantly in technology in recent years, which has enabled us to work remotely and we expect to have to do this for at least six months. We will have to cancel a number of planned conferences and fundraising events during this time. However, the time we have spent in developing our ECHO networks in recent years means we are better placed than most organisations to continue to deliver our services.

Grant making policy

Hospice UK aims to make a real, practical difference in everything we do. Our grant programmes demonstrate this commitment with a range of grants to hospices, including supporting their staff.

Our grant programmes are funded by the generous donations received from external sources, including trusts and foundations. We are grateful for their support. The criteria for each programme are agreed by the Hospice UK Governance Committee and each respective funder, taking into account any restrictions that funders wish to be included.

Applications for funding for individuals, e.g. through the Professional Development Grants programme, are considered and approved by the Head of Grants.

Applications for funding from major grant programmes are considered by the Major Grants Committee, which makes recommendations for approval as follows:

- to the Chief Executive for grants of up to a maximum of £25,000
- to the Governance Committee for grants of between £25,000 and £50,000
- to the Board for grants over £50,000 following their consideration by the Governance Committee.

As well as our grants programmes, we also work with our corporate partners to raise money directly for local hospices. The funds raised through our corporate partnerships are allocated to local hospices that are twinned with our partners' branches or offices. The twinned hospice is chosen through a combination of the company's locality, previous relationships with hospices and its employees' preferences.

After the year end, Hospice UK was contracted to support NHS England to deliver a grants programme to support hospices in England. The grant programme is subject to the governance arrangements set by NHS England.

Risk assessment

The Trustees, together with the Senior Management Team, regularly identify and monitor risks to which Hospice UK is exposed and ensure that appropriate systems and controls are in place to manage significant risks.

Risks are monitored in five key areas:

- **Financial risk**

The principal risk is that in an increasingly competitive environment, we are not able to raise sufficient funds to carry out our required activities. A fundraising plan is in place and progress is reviewed against this quarterly, and our reserves policy a set out on page 18 mitigates this risk.

- **Governance issues**

The main risks are around ensuring that we have the relevant skills and experience on our Board and various committees, and that conflicts of interest are managed. This is addressed by an election process for the Board and Advisory Council, co-opted places on the Board to address any skills gaps, and by the declaration of conflicts of interests at all meetings.

- **Operational issues**

Risks in this area include loss of key staff and loss of IT infrastructure, and a business continuity plan is in place to address these.

- **Compliance with laws and regulations**

Risks relate to Charity Commission regulations and employment legislation amongst others and the implementation of GDPR (EU General Data Protection Regulation), and are addressed by having policies in place to cover major areas, a clear schedule of delegated authority and by regular updates from our professional advisors.

- **External risks**

The most significant risks relate to not achieving our strategic priorities and events that might have a detrimental impact on our reputation with hospices or the public. These are managed by regular review of activity against our business plan and regular consultation with our members.

As part of this work, we maintain a risk register, which is reviewed and discussed regularly by the full Board of Trustees, and actions are taken to mitigate risk where appropriate. Risks associated with COVID-19 are set out on page 18.

Compliance with Fundraising Standards

Staff employed by Hospice UK carry out the majority of our fundraising activities. For some activities, we work with other organisations or individuals to assist with our fundraising. For example, we work with payroll giving agencies to sign up supporters to our payroll giving schemes and specialist organisations to organise charity challenge events. All arrangements are governed by written agreements that cover the responsibilities of both parties, and ensure that anyone working on our behalf adheres to our strict ethical standards.

Hospice UK is registered with the Fundraising Regulator, and complies with the Code of Fundraising Practice and the Fundraising Promise. No instances of non-compliance with any relevant regulations or guidelines have been identified, and nor have we received any complaints about our fundraising activities.

Much of our income is generated from companies or trusts. When seeking to raise money from the public, we only send marketing material to those who have previously said they are happy to be contacted by us (and individuals are free to change their minds at any time). We take great care to ensure that our level of communication with our supporters is proportional and appropriate. In the past year we have not engaged in telephone marketing or in raising money from door to door or street collections

Plans for Future Periods

The charity's plans for the first part of the 2020-21 financial year will focus almost entirely on responding to the COVID-19 pandemic. We will aim to support all providers of hospice and palliative care services to ensure they can continue to care for their patients and their families. This will take the form of ensuring they have sufficient financial support to continue operating, access to appropriate personal protective equipment, and to share knowledge to enable them to best support their beneficiaries during this crisis.

This concludes the strategic report.

Structure, governance and management

Objectives

The objectives of the charity are:

- to facilitate and promote the relief, care and treatment of the sick, especially of the dying, and the support and care of their families and carers and of the bereaved;
- to facilitate and promote the charitable activities of those persons (whether individuals or organisations) which provide and/or support hospice care;
- to provide or facilitate education and training for professionals and volunteers engaged in palliative care and increase awareness among the public of the values, principles and practice of hospice and palliative care.

Governance documents and constitution

Hospice UK is a charitable company limited by guarantee constituted on 29 September 1992 and governed by articles and memorandum of association. The trustees are also directors of the charity for the purposes of the Companies Act. No specific restrictions are imposed by the governing documents.

The charity has a wholly owned trading subsidiary, Help the Hospices (Trading) Ltd, (company number 2000660), which is used as a vehicle for fundraising.

The Board of Trustees

The charity has a membership for organisations whose primary purpose is to provide and / or support hospice care. Each member can nominate individuals to stand for election as trustees of the charity. Nominations are based on the skills, experience and competencies needed to ensure a representative balance of professional expertise on the Board of Trustees, and voted on by all members.

Hospice UK trustees are detailed on page 23. Two thirds of trustees are elected for a four-year term and can then be re-elected for a further four years. Trustees can co-opt any duly qualified person to serve as a trustee, providing the number of co-opted trustees does not exceed one-third of the total number of trustees. The full Board met five times during the year.

New trustees receive a wide-ranging induction information pack and complete conflict of interest and eligibility statements on joining the charity. Trustees are welcomed with at least one familiarisation day visit to Hospice House, to meet with staff and other trustees. Further induction

information is supplied as new trustees join Board committees and become involved in the charity's activities.

A number of trustees serve on Board committees or advisory panels, and the Chair of the Board is an ex-officio member of each. The Board monitors and controls the programme of the charity through at least four Board meetings each year and through a number of Board committees.

- Governance Committee

Responsibilities are to oversee the governance of the organisation including Board composition, associated trustee appointments, election processes, and reviewing Board performance and succession planning. The committee is responsible for overseeing all grant programmes including setting the eligibility criteria for each grant programme, the basis for making awards, and ensuring compliance with these criteria. The committee met three times during the year.

- People Committee

Sets the broad framework for remuneration packages of the leadership team, oversees the HR strategy of the organisation and approves key HR policies. The committee is also responsible for making sure our remunerations policy is appropriate and ensures that we have a consistent, objective and clear process across the charity for how we set individual salaries. The aim is to ensure that the salaries are realistic, sustainable but competitive against the external market and correctly aligned when the role is broken down and evaluated against others in the charity; to help ensure this a service provided by Croner Consulting, which compares salaries with comparative roles in the charity sector, is used. The People Committee approve the Senior Management Team salaries, and salaries of other staff proposed by the Chief Executive Officer. The committee met four times during the year.

- Finance Committee

Responsibilities include advising and monitoring budgets, financial controls and financial reporting, overseeing audit matters and ensuring adequate risk management and compliance. The committee met three times in the year, and the key activity during the year was the setting of the charity's budget and regular monitoring of performance against it.

Day-to-day management of the charity is delegated to the Chief Executive Officer and then across the organisation through a regularly reviewed schedule of delegation.

Membership

The membership structure of Hospice UK came into being in April 2007. At 31st March 2020, there were 208 members (31 March 2019: 218)

Members of Hospice UK engage to shape our future programmes and priorities by:

- helping to shape the governance of the organisation by nominating and electing trustees to the Board – two thirds of the trustees of Hospice UK are elected from within and by member hospices, with the remaining one third co-opted
- ensuring country and regional views are represented at a national level by electing representatives to the Advisory Council and Forum of Chairmen and contributing their expertise to support our work through expert committees and other project steering committees

In the event of winding-up, each member is liable to pay a maximum of £1.

The Advisory Council and the Forum of Chairmen

The Advisory Council plays a key role in Hospice UK and is the forum through which members formally communicate with Hospice UK. Member hospices, via elected representatives, advise our Board and Senior Management Team on key issues and priorities relating to hospice philosophy, policy, practice and professional development. Hospice UK communicates the work of the charity back to the members and seeks views.

The Forum of Hospice Chairmen, formerly the Forum of Chairmen of Independent Hospices, is a national network that promotes the role of hospice chairs and trustees and feeds back to Hospice UK issues relating to the governance of hospices in order to help shape our governance support programmes.

The Chairs of the Advisory Council (Tony Collins) and the Forum of Chairmen (Kate Tompkins) each hold a place on the Board of Hospice UK.

Reference and administrative information

Trustees

Robert Peston [#]	Chair Appointed November 2018 Retired January 2020
Christine Gibbons ^{*,1}	Deputy Chair Retired March 2020
Tony Collins ^{*,1}	Acting Chair Reappointed May 2019
Emma Reynolds [#]	Appointed July 2016
Kate Tompkins ^{*,1}	Appointed in February 2017
John Stephen ^{#,3}	Appointed July 2016
Tina Swani [*]	Retired March 2020
Stephen Roberts ^{*,1}	Appointed July 2018
Dr Mike Miller ^{*,1,2}	Appointed May 2018
Sonia Rees ^{*,2,3}	Appointed July 2018

Michelle Rollinson* ²	Appointed May 2019
Martin Warhurst* ¹	Appointed November 2019, Resigned July 2020
David Smith* ³	Appointed November 2019
John Knight* ³	Appointed November 2019

A co-opted trustee

* A trustee elected by the membership

Membership of Board committees as of 31 March 2020

- 1 – Governance Committee
- 2 – People Committee
- 3 – Finance Committee

Founder

Anne, Duchess of Norfolk CBE

Vice-Presidents

Hugh Scurfield	Mick Thorpe	Baroness Finlay of Llandaff
Martyn Lewis CBE	Prof. David Clark	Lord Howard of Lympne
Robert Peston		

Senior Management Team (as at date of approval)

Tracey Bleakley	Chief Executive
Craig Duncan	Chief Operating Officer
Jonathan Ellis	Director of Advocacy and Change
Carole Walford	Chief Clinical Officer
Catherine Bosworth	Director of Income Generation
Rowena Lovell	Director of Strategy & Governance
Sarah West	Director of Campaigns and Communications

Registered office

34-44 Britannia Street
London
WC1X 9JG

Charity and company registration

Registered charity in England and Wales: 1014851

Registered charity in Scotland: SC041112

Company limited by guarantee: 2751549

Solicitor

Bates, Wells and Braithwaite

2-6 Cannon Street

London

EC4M 6YH

Auditors

Price Bailey LLP

1 Dane Street

Bishop's Stortford

Hertfordshire, CM23 3BT

Bank

Coutts and Co.

440 Strand

London

WC2 0QS

Statement of trustees' responsibilities

The trustees (who are also directors of Hospice UK 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 directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the FRS 102 Charities SORP;

- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for ensuring proper accounting records are kept that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as trustees are aware:

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

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

Auditors

Price Bailey LLP have expressed their willingness to continue as the charitable company's auditors, and a resolution to this effect will be proposed at the AGM.

Approved by the Trustees on 23 July 2020 and signed on their behalf by



Tony Collins

Acting Chair

Independent auditor's report to the Trustees and Members of Hospice UK

Opinion

We have audited the financial statements of Hospice UK Ltd (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2020 which comprise the Group Statement of Financial Activities, Group Balance Sheet, Group 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 Financial Reporting Standard 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's and parent charitable company's affairs as at 31 March 2020, and of the group's and parent charitable company's incoming resources and application of resources including the group's and parent charitable company's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable 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 group's or parent charitable company'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 trustees' annual report and strategic report, other than the financial statements and our auditor's report 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.

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit. or

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 26, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 parent charitable 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 group or the parent 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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.


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 an auditor's report 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. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body,

in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Helena Wilkinson BSc FCA DChA (Senior Statutory Auditor)

For and on behalf of

Price Bailey LLP

Chartered Accountants

Statutory Auditor

1 Dane Street

Bishops Stortford

Hertfordshire

CM23 3BT

Dated: 15 September 2020

Consolidated statement of financial activities
(Incorporating an income and expenditure account)
For the year ended 31 March 2020

	Note	Unrestricted Funds		Restricted Funds £'000	2020 Total £'000	2019 Total £'000
		General £'000	Designated £'000			
Income						
Donations and legacies:	2					
Funds raised for Hospice UK		2,860	0	2,132	4,992	5,597
Funds raised for independent hospices		0	0	259	259	317
Income from other trading activities		94	0	0	94	157
Investment income		114	0	0	114	120
Income from charitable activities:						
Supporting those providing hospice care		917	0	0	917	1,002
Total income		3,985	0	2,391	6,376	7,193
Expenditure						
Expenditure on charitable activities:	3					
Extend our Reach		553	6	553	1,112	1,162
Tackle Inequality		479	6	1,099	1,584	1,492
Work with Communities		494	6	168	668	895
Empower a Strong Hospice Sector		1,409	15	421	1,845	1,997
Costs of raising funds	3	1,230	11	0	1,241	1,188
Total expenditure		4,165	44	2,241	6,450	6,734
Net (expenditure)/income before (losses)/gains on investments		(180)	(44)	150	(74)	459
Unrealised (losses)/gains	10	(225)	0	0	(225)	48
Net income for the year	5	(405)	(44)	150	(299)	507
Transfer between funds	16	(76)	76	0	0	0
Net movement in funds		(481)	32	150	(299)	507
Reconciliation of funds						
Total funds brought forward	1	2,831	2,785	1,050	6,666	6,159
Total funds carried forward	16	2,350	2,817	1,200	6,367	6,666


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

Balance sheet
As at 31 March 2020

	Note	The group		The charity	
		2020 £'000	2019 £'000	2020 £'000	2019 £'000
Fixed assets					
Tangible fixed assets	9	1,176	1,143	1,176	1,143
Investments	10	2,798	3,023	2,798	3,023
		3,974	4,166	3,974	4,166
Current assets					
Debtors	14	949	1,466	1,285	1,840
Cash at bank and in hand		4,620	4,621	4,206	4,103
		5,569	6,087	5,491	5,943
Creditors					
Amounts due within one year	15	3,176	3,587	3,114	3,461
		2,393	2,500	2,377	2,482
Net current assets					
		6,367	6,666	6,351	6,648
Total net assets					
	13	6,367	6,666	6,351	6,648
Funds					
	16				
Restricted funds		1,200	1,050	1,200	1,050
Unrestricted funds					
General funds		2,349	2,831	2,335	2,813
Designated funds					
Building Repairs Fund		191	191	191	191
Web & Digital		300	300	300	300
Fixed assets		1,176	1,144	1,176	1,144
2017-2022 Strategy		1,150	1,150	1,150	1,150
		6,366	6,666	6,351	6,648
Total funds					

The notes on pages 35 to 55 form part of these financial statements.

Approved by the trustees 23 JULY 2020 and signed on their behalf by



Tony Collins
ACTING CHAIR

Company number 02751549

Consolidated statement of cashflows
For the year ended 31 March 2020

	2020	2019
	£'000	£'000
Cashflows from operating activities:		
Net cash generated by operating activities	75	933
Cashflows from investing activities:		
Payments to acquire tangible fixed assets	(76)	0
Payments to acquire investments	0	0
Receipts on the disposal of investments	0	0
	(76)	0
Change in cash and cash equivalents in the reporting period	(1)	933

Reconciliation of net movement in funds to net cash flow from operating activities

	2020	2019
	£'000	£'000
Net movement in funds for the year	(301)	507
Non-operating cashflows eliminated		
Depreciation	45	45
Losses/(gains) on investments	225	(48)
Increase in debtors	517	19
Increase in creditors	(411)	410
Loss on Disposal of Fixed Assets	0	0
Net cash generated by operating activities	75	933

Analysis of cash and cash equivalents

	2020	2019
	£'000	£'000
Cash in hand at the beginning of the year	4,621	3,688
Increase in cash in hand	(1)	933
Cash in hand at the end of the year	4,620	4,621

Analysis of changes in net debt

Cash and cash equivalents 01.04.2019	4,621	3,688
Cash flows	(1)	933
Other non cash changes		
Cash and Cash equivalents 31.03.2020	4,620	4,621

The notes on pages 35 to 55 form part of these financial statements.

Notes to the financial statements

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the Financial Statements are shown below.

a. Basis of Preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice for charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

b. 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.

c. Going concern

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

With regard to the following year, the most significant area of uncertainty is the level of donations which need to be raised each year. This is covered in more detail in the performance and risk sections of the trustees' annual report.

d. Group financial statements

These financial statements consolidate the results of the charitable company, Hospice UK, and its wholly-owned subsidiary, Help the Hospices (Trading) Limited, on a line by line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the charitable company has not been presented because the charitable company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006. The trustees have reviewed budgets, forecasts and cashflow statements and concluded that the COVID-19 pandemic does not impact on their assessment of going concern - further details are given in the trustees report.

1. Accounting policies (continued)

e. Income

Income is included in the Statement of Financial Activities (SoFA) when:

- the charity becomes entitled to the resources;
- any performance conditions attached to the income have been met;
- it is probable that the income will be received; and
- the monetary value can be measured with sufficient reliability.

Where income has related expenditure (as with fundraising or contract income) the income and related expenditure are reported gross in the SoFA.

During the period all income arose from within the UK.

Grants and donations

Donations, grants and gifts are recognised when receivable.

In the event that a donation is subject to conditions before the charity is entitled to the funds, the income is deferred and not recognised until it is probable that those conditions will be fulfilled in the reporting period.

Sponsorship from events and events registration fees are recognised when the event takes place.

Revenue grants are recognised when received or receivable whichever is earlier.

Where unconditional entitlement to grants receivable is dependent upon fulfilment of conditions within the charity's control, the incoming resources are recognised when there is sufficient evidence that conditions will be met. Where there is uncertainty as to whether the charity can meet such conditions the grant income is deferred.

Legacy income

For legacies, entitlement is taken on a case by case basis as the earlier of the date when the charity is aware that probate has been granted, and either:

- the estate has been finalised and estate accounts have been received by the charity; or
- notification has been made by the executor(s) to the charity that a distribution will be made and the distribution has been made post year end.

Receipt of a legacy is only considered probable when the amount can be measured reliably.

Investment income

Investment income represents interest receivable from UK bank deposits and investments. This is included in the accounts when receivable.

Investment gains and losses includes any gain or loss resulting from change in market value at the end of the year and any gain or loss on the sale of investments.

1. Accounting policies (continued)

f. Expenditure

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis under the following headings:

Costs of raising funds

Costs of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies; costs of fundraising activities including commercial trading; and their associated support costs. Fundraising costs do not include the costs of disseminating information in support of the charitable activities.

Expenditure on charitable activities

Expenditure on charitable activities is analysed by the charity's key charitable objectives as identified in the charity's current strategy.

Expenditure on charitable activities comprises the costs of activities undertaken to further the purposes of the charity and their associated support costs.

Support and governance costs

Support costs comprise those costs which are incurred directly in support of expenditure on the objectives of the charity and include governance cost, finance, and office costs.

Support costs include irrecoverable VAT.

Support costs are allocated to each of the activities on the basis of estimated average headcount deployed supporting each objective in the year.

g. Grants

Grants payable are recognised on approval of the grant by the Grants Committee and notification to its recipient.

h. Taxation

Hospice UK meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively for charitable purposes.

1. Accounting policies (continued)

i. Pension

Hospice UK contributes towards defined contribution pension plans for employees. Pension costs are recognised when they fall due.

The costs of the defined contribution scheme are included with the associated staff costs and allocated to raising funds, charitable activities, support and governance costs and charged to the unrestricted funds of the charity.

The charity has no liability beyond making its contributions and paying across the deductions for employees' contributions.

j. Fixed Assets

All assets costing more than £1,500 are capitalised at their historical cost when purchased. Assets are reviewed for impairment if circumstances indicate their value in the accounts may exceed their net realisable value and value in use.

Depreciation is incurred at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The annual depreciation rates in use are as follows:

Freehold land	nil %
Building and improvements	2% of cost
Furniture and office equipment	25% of net book value
IT equipment and software	33% of cost

k. Investments

Investments are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price, except for the shares in the trading subsidiary which are carried at cost. The SOFA includes the net gains and losses arising on revaluation and disposals throughout the year.

l. 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.

m. Cash at bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1. Accounting policies (continued)

n. 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.

o. Fund accounting

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with an agreed allocation of management and support costs.

Unrestricted funds are donations and other incoming resources received or generated to further any of the charitable purposes of Hospice UK.

Designated funds are unrestricted funds which the trustees have decided at their discretion to set aside to use for a specific purpose.

The aim and use of each material designated and restricted fund is set out in the notes to the financial statements.

p. Operating Leases

Operating leases are recognised over the period of which the lease falls due.

q. Judgements and key sources of uncertainty

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The key assumptions concerning the future and key sources of estimation uncertainty at the key reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- Estimation of the useful economic life of buildings, furniture and office equipment and IT equipment.

r. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the SoFA.

1. Accounting policies (continued)

s. Financial instruments

The charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value as at the balance sheet date. All financial instruments of the charity are measured at cost with the exception of investments in the charity's portfolio, which are measured at fair value as at the balance sheet date using the closing market value with all realised and unrealised gains included in the statement of financial activities. The value of investments as well as their original cost is stated in note 10. Financial assets include investments in the portfolio, the bank balances, trade debtors, accrued income and other debtors but exclude prepayments and taxation. Financial liabilities include trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

2. Donations and Legacies - Group

			2020			2019
	Unrestricted £'000	Restricted £'000	Total £'000	Unrestricted £'000	Restricted £'000	Total £'000
Corporate donations	279	67	346	387	106	493
Trusts and other charities	155	1,598	1,753	121	1,866	1,987
Payroll giving	303	192	495	332	218	550
Challenge events	705	0	705	605	0	605
Campaigns and special events	85	0	85	18	0	18
National Garden Scheme	450	50	500	450	50	500
Legacies	810	0	810	1,191	0	1,191
Individual donors	69	0	69	52	0	52
Government and statutory income	0	484	484	0	512	512
Other voluntary income	4	0	4	6	0	6
Total Donations and Legacies	2,860	2,391	5,251	3,162	2,752	5,914

Donation and legacy income can be analysed as follows:

Income for Hospice UK	2,860	2,132	4,992	3,162	2,435	5,597
Income for hospices	0	259	259	0	317	317
	2,860	2,391	5,251	3,162	2,752	5,914

3. Analysis of expenditure - Group

a) 2020	Direct Costs: Charitable activities				Cost of Raising Funds	Support and governance	2020 £'000
	Reach	Inequality	Communities	Strong Hospice Sector			
	£'000	£'000	£'000	£'000	£'000	£'000	
Staff costs (Note 7)	662	306	311	718	589	654	3,240
Grants payable (Note 4)	44	942	0	144	0	0	1,130
Local hospices donations	0	0	0	259	0	0	259
Other expenditure	213	144	165	261	306	732	1,821
	919	1,392	476	1,382	895	1,386	6,450
Support and governance	192	192	192	463	346	(1,385)	0
Total expenditure 2020	1,111	1,584	668	1,845	1,241	1	6,450
b) 2019	Direct Costs: Charitable activities				Cost of Raising Funds	Support and governance	2019 £'000
	Reach	Inequality	Communities	Strong Hospice Sector			
	£'000	£'000	£'000	£'000	£'000	£'000	
Staff costs (Note 7)	568	304	309	696	590	646	3,113
Grants payable (Note 3)	0	800	235	198	0	0	1,233
Local hospices donations	0	0	0	317	0	0	317
Other expenditure	412	206	169	280	295	709	2,071
	980	1,310	713	1,491	885	1,355	6,734
Support and governance	182	182	182	506	303	(1,355)	0
Total expenditure 2019	1,162	1,492	895	1,997	1,188	0	6,734

3. Analysis of expenditure - Group (continued)

Support costs are not attributable to a single activity and have been apportioned on the basis of the number of people employed within an activity.

	Charitable activities				Cost of Raising Funds £'000	2020 £'000
	Reach	Inequality	Communities	Strong Hospice Sector		
	£'000	£'000	£'000	£'000		
Finance	47	47	47	114	85	340
Facilities	47	47	47	111	83	335
Governance	12	12	12	29	22	87
HR	31	31	31	73	55	221
Communications	1	1	1	3	3	9
Strategy & Legal	1	1	1	3	2	8
Irrecoverable VAT	7	7	7	18	13	52
IT & Business Systems	46	46	46	111	83	332
Hospice Accounts	0	0	0	1	0	1
	192	192	192	463	346	1,385

	Charitable activities				Cost of Raising Funds £'000	0 £'000
	Reach	Inequality	Communities	Strong Hospice Sector		
	£'000	£'000	£'000	£'000		
Finance	30	30	30	71	53	215
Facilities	52	52	52	125	94	376
Governance	15	15	15	36	27	109
HR	23	23	23	55	41	164
Communications	8	8	8	20	15	61
Strategy & Legal	19	19	19	45	34	135
Irrecoverable VAT	7	7	7	17	12	50
IT & Business Systems	36	36	36	85	64	256
	190	190	190	455	341	1,366

4. Grants payable - Group

	2020	2019
	£'000	£'000
Grants given comprise of:		
Grants to develop bereavement services in hospices	448	300
Grants to family carers	483	500
Grants to support community led hospice care	0	234
Grants to support conditions other than cancer	27	250
Professional development grants	172	167
Grants for capital projects	0	112
Grants to support regional capital projects	44	0
Masters in Hospice Leadership bursaries	0	5
Other grant programmes	43	27
	1,217	1,595
Provision for grants which may not be claimed	(87)	(362)
Note 3	1,130	1,233

A full list of grants awarded in the year is available from our website at www.hospiceuk.org/grantsawarded.

All 311 (2019: 375) grants were made to organisations.

5. Net (expenditure)/income for the year - Group

This is stated after charging / crediting:	2020	2019
	£'000	£'000
Depreciation	(45)	(45)
Trustees' indemnity insurance	1	1
Auditors' remuneration:		
Audit - Hospice UK	14	13
Audit - Help the Hospices (Trading) Ltd.	4	3
Other services	1	1
Operating leases	46	41
Note 18	46	41

6. Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Help the Hospices (Trading) Limited pays all its available profits to the charity under a deed of covenant. Its charge to corporation tax in the year was nil (2019: £nil).

7. Analysis of staff costs - Group

a) Staff numbers

The average monthly head count was 72 (2019: 67). The average number of employees during the year was as follows:

	2020	2019
	No.	No.
Extend our Reach	8	7
Tackle Inequality	8	7
Work with Communities	8	7
Empower a Strong Hospice Sector	20	20
Raising Funds	14	12
Support and Governance	14	14
	<u>72</u>	<u>67</u>

b) Staff costs

	2020	2019
	£'000	£'000
Salaries and wages	2,686	2,563
Social security costs	283	269
Pension contributions	231	259
Temporary and agency staff	40	22
	<u>3,240</u>	<u>3,113</u>

Total emoluments paid to staff were: **2,726** 2,577

There is £21K (2019: £12) included in salaries and wages related to redundancy or settlement payments to two (2019: one) employee.

The charity considers its key management personnel to be its trustees and the members of the Senior Management Team (SMT).

The charity's trustees were not paid and did not receive any benefits from employment with Hospice UK in the year (Prior year: £nil). They were reimbursed expenses during the year as stated in note 17.

The value of payments and other benefits, including pension contributions, to members of SMT in the year was £703k (2019: £768k). The charity also offers travel loans to staff (interest free up to the value of £10,000). At the year end, two members (2019: three) of the Senior Management Team had outstanding loans which had a total value of £2,727 (2019: £2,660).

7. Analysis of staff costs - Group (continued)

The number of employees whose total employee benefits excluding pension contributions exceeded £60,000 was:

	2020	2019
	No.	No.
£60,000 - £70,000	3	1
£70,000 - £80,000	-	1
£80,000 - £90,000	2	4
£90,000 - £100,000	3	1
£100,000 - £110,000	1	1

Pensions contributions for higher paid employees totalled £96k (2019: £100k).

8. Pension - Group

The charity operates a defined contribution pension plan for its employees. The amount recognised as an expense in the period was £283k (2019: £259k). There were no amounts outstanding at year end (2019: £nil).

9. Tangible fixed assets - group and charity

	Freehold land £'000	Building £'000	Furniture and office equipment £'000	IT equipment £'000	Total £'000
Cost					
At the start of the year	163	1,595	261	154	2,173
Additions	0	0	76	0	76
Disposals	0	0	0	0	0
At the end of the year	163	1,595	337	154	2,249
Depreciation					
At the start of the year	0	643	237	149	1,029
Charge for the year	0	32	9	3	44
At the end of the year	0	675	246	152	1,073
Net book value					
At the end of the year	163	920	91	2	1,176
At the start of the year	163	952	24	5	1,144

10. Investments - group and charity

	2020	2019
	£'000	£'000
Market value at the start of the year	3,023	2,975
Disposal proceeds	0	0
Unrealised (loss)/gain	(225)	48
Market value at the end of the year	<u>2,798</u>	<u>3,023</u>
Historic cost at the year end	<u>2,361</u>	<u>2,361</u>
Investments comprise:	2020	2019
	£'000	£'000
UK Common investment funds	<u>2,798</u>	<u>3,023</u>

11. Subsidiary Undertaking

The charitable company owns one subsidiary, Help the Hospices (Trading) Limited - company number 02000660, registered in England and Wales.

An investment of £100 is held by Hospice UK in Help the Hospices (Trading) Ltd. This represents the cost of acquiring the whole of the ordinary share capital of the company. Help the Hospices (Trading) Limited is used for non-primary purpose trading activities.

The results of Help the Hospices (Trading) Limited are shown below and have been consolidated on a line by line basis into group financial statements. Available profits are distributed to the charitable company by deed of covenant.

	2020	2019
	£'000	£'000
Turnover	717	801
Cost of sales	(390)	(367)
Gross profit	<u>327</u>	<u>434</u>
Administrative expenses	(194)	(156)
Profit on ordinary activities	133	278
Payment under Deed of Covenant	(133)	(278)
Net result	<u>0</u>	<u>0</u>
The aggregate of the assets, liabilities and funds was:	2020	2019
	£'000	£'000
Assets	499	610
Liabilities	(481)	(592)
Funds	<u>18</u>	<u>18</u>

12. Parent charity

Hospice UK's gross income and the results for the year are as follows:

	2020	2019
	£'000	£'000
Gross income	5,761	6,876
Net income/(expenditure) before gains/(losses) on investments	<u>(75)</u>	<u>459</u>

13. Analysis of net assets between funds

a) 2020

Group				2020
	General £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	0	1,174	0	1,174
Investments	2,798	0	0	2,798
Net current assets	(448)	1,643	1,200	2,395
	<u>2,350</u>	<u>2,816</u>	<u>1,200</u>	<u>6,367</u>

Charity

Charity				2020
	General £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	0	1,174	0	1,174
Investments	2,798	0	0	2,798
Net current assets	(464)	1,643	1,200	2,379
	<u>2,334</u>	<u>0</u>	<u>0</u>	<u>6,351</u>

b) 2019

Group				2019
	General £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	0	1,143	0	1,143
Investments	3,023	0	0	3,023
Net current assets	(192)	1,642	1,050	2,500
	<u>2,831</u>	<u>2,785</u>	<u>1,050</u>	<u>6,666</u>

Charity

Charity				2019
	General £'000	Designated £'000	Restricted £'000	Total £'000
Tangible fixed assets	0	1,143	0	1,143
Investments	3,023	0	0	3,023
Net current assets	(210)	1,642	1,050	2,482
	<u>2,813</u>	<u>2,785</u>	<u>1,050</u>	<u>6,648</u>

14. Debtors

	The group		The charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade debtors	122	168	49	84
Amounts due from subsidiary	0	0	421	468
Prepayments and accrued income	827	1,297	815	1,288
	949	1,465	1,285	1,840

Within prepayments and accrued income is £267k (2019: £236k) of prepayments relating to fundraising events which will be held after the year end.

15. Creditors: amounts due within one year

	The group		The charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Trade and other creditors	280	374	261	340
Tax and social security	10	20	10	20
Amounts due to independent hospices	7	240	7	247
Grants committed	2,345	2,291	2,345	2,291
Accruals and deferred income	534	662	491	562
	3,176	3,587	3,114	3,460

Within accruals and deferred income is £235k (2019: £285k) of deferred income relating to fundraising events which will be held after the year end.

b) Deferred income reconciliation

	The group		The charity	
	2020	2019	2020	2019
	£'000	£'000	£'000	£'000
Balance brought forward	523	564	452	473
Amount recognised in year	(523)	(564)	(452)	(473)
Amount deferred in the year	370	523	337	452
Balance carried forward	370	523	337	452

16. Movements in funds

a) 2020	At 1 April 2019 £'000	Income £'000	Expenditure £'000	Unrealised gains/(losses) £'000	Transfers between funds £'000	At 31 March 2020 £'000
Restricted funds						
St. James's Place Foundation	0	533	(533)	0	0	0
Health & Wellbeing Alliance	0	60	(60)	0	0	0
Other projects	1,050	1,799	(1,649)	0	0	1,200
Total restricted funds	1,050	2,392	(2,242)	0	0	1,200
Unrestricted funds						
Designated funds:						
Building repairs fund	191	0	0	0	0	191
Fixed assets	1,144	0	(44)	0	76	1,176
Fundraising	0	0	0	0	0	0
Web & Digital	300	0	0	0	0	300
2017-2022 Strategy	1,150	0	0	0	0	1,150
Total designated funds	2,785	0	(44)	0	76	2,817
General funds	2,831	3,985	(4,165)	(225)	(76)	2,350
Total unrestricted funds	5,616	3,985	(4,209)	(225)	0	5,167
Total funds	6,666	6,377	(6,451)	(225)	0	6,367

16. Movements in funds (continued)

c) Purposes of restricted funds

St. James' Place Foundation - A grant programme to support family carers.

Health & Wellbeing Alliance - NHE England awarded £60,000 to a consortium of charities (NCPC, Hospice UK, Marie Curie & Together for Short Lives) in relation to our membership of the Alliance. The Alliance is a partnership of voluntary organisations who work to bring the voice of the sector into policy-making. Hospice UK leads the partnership.

Other projects - represents restricted funds for a variety of programmes supporting hospice care in the UK.

d) Purposes of designated funds

Building Repairs Fund - This fund was set aside in 2015 to cover the costs of maintaining our freehold property. An additional designation of £75,000 was made in 2018 to cover costs expected over the next five years.

Fixed Assets Fund - represents the net book value of the tangible fixed assets. £76k was transferred to the Fixed Asset Fund from General Funds to reflect to cost of fixed asset additions in year (2018: £nil).

Web & Digital Fund -In 2018 the trustees agreed to designate £300k towards future investment in our web and digital capability. It is envisaged that around £100k of this will be spent in the next year replacing our existing website(s) and the remainder over a five year period, including on upgrading our membership, fundraising and grants databases.

17. Related party transactions

a) Independent hospices and trustees

Over 80% of the Trustees are closely associated with independent charitable hospices and palliative care. As we have awarded 311 grants during the year to organisations working in palliative care, it is not unusual that some of these grants are to organisations with which our trustees are associated.

Trustees who sit on the awards committee withdraw from all decisions regarding grants to any organisation, or individual within the organisation, with which they are associated and so cannot influence these decisions in any way.

A summary of the grants awarded to organisations, or individuals within the organisation, associated with our trustees is given below. The total value of all grants awarded in the year is disclosed in note 4.

Hospice UK's member hospices also benefit from funding through our national corporate partnerships and our payroll giving scheme. The total value of all local hospice donations in the year is disclosed in note 3.

	Number of grants	Value of grants £'000	Hospice Donations £'000	2020 £'000	2019 £'000
St Andrews	0	0	13	13	0
LOROS	6	16	2	18	0
Dorothy House Hospice Care	2	31	0	31	16
St Peter & St James Hospice	1	22	1	23	1
Martin House	1	0	3	3	0
Teeside		0	1	1	0
Saint Michael's Hospice (Harrogate)	2	69	9	78	0
Birmingham St Mary's Hospice	8	2	1	3	4
Farleigh Hospice		0	0	0	0
North Devon Hospice		0	0	0	0
Acorns Children Hospice		0	0	0	0
Naomi House and Jacksplace Hospices	0	0	1	1	1
Total	20	140	31	171	22

Hospice UK paid the cost of travel and expenses incurred by Trustees whilst fulfilling their duties to Hospice UK. This includes the reimbursement of expenses totalling £4k (2019: £6k) for trustees.

17. Related party transactions (continued)

b) Worldwide Hospice and Palliative Care Alliance (WHPCA)

The Chief Operating Officer of Hospice UK, Craig Duncan, is a trustee of the Worldwide Hospice and Palliative Care Alliance (WHPCA), a charity registered in the UK.

Hospice UK provided various services to WHPCA, including financial and payroll processing, and financial management and reporting support, charged at £13k (2019: £11k).

At the end of the year Hospice UK owed £5k to WHPCA (2019: Hospice UK owed £81k to WHPCA).

The Trustees do not consider WHPCA to be a subsidiary or an associate and the results and net assets of WHPCA have not been included in the group accounts.

There were no other related party transactions in the year.

18. Operating lease commitments

Net outgoing resources for the year for the Group are stated after charging operating lease payments on equipment of £46k (2019: £41k)

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2020	2019
	£'000	£'000
No later than one year	46	41
Later than one year and not later than five years	46	44

19. Ultimate controlling party

There is no overall controlling party.

20. Post balance sheet events

On 1 July 2020 Hospice UK became the sole member of The Gold Standards Framework Centre Community Interest Company (registered company in England & Wales No 07231949). No fee was paid for the acquisition of the subsidiary company. The trustees believe that the expertise GSF brings in terms of training and accreditation to palliative care providers will complement the existing activities of the charity.

21. Contingent Assets

The charity has been notified of a number of potential legacies which do not meet the conditions for recognition as income at the balance sheet date. The value of these gifts is uncertain, but is estimated at £180k. The charity is extremely grateful to all the generous donors who support it through gifts in wills.

22. Consolidated statement of financial activities
(Incorporating an income and expenditure account)
For the year ended 31 March 2019

	Unrestricted Funds		Restricted Funds	2019 Total
	General	Designated		
	£'000	£'000	£'000	£'000
Income				
Donations and legacies:				
Funds raised for Hospice UK	3,162	0	2,435	5,597
Funds raised for independent hospices	0	0	317	317
Income from other trading activities	157	0	0	157
Investment income	120	0	0	120
Income from charitable activities:				
Supporting those providing hospice care	1,002	0	0	1,002
Income from Merger with NCPC	0	0	0	0
Total income	4,441	0	2,752	7,193
Expenditure				
Expenditure on charitable activities:				
Extend our Reach	535	27	600	1,162
Tackle Inequality	422	27	1,043	1,492
Work with Communities	417	54	424	895
Empower a Strong Hospice Sector	1,338	67	592	1,997
Costs of raising funds	1,114	74	0	1,188
Total expenditure	3,826	249	2,659	6,734
Net income/(expenditure) before gains/(losses) on investments	615	(249)	93	459
Realised gains on investments	0	0	0	
Unrealised (losses)/gains	48	0	0	48
Net income for the year	663	(249)	93	507
Transfer between funds	(332)	332	0	0
Net movement in funds	331	83	93	507
Reconciliation of funds				
Total funds brought forward	2,500	2,702	957	6,159
Total funds carried forward	2,831	2,785	1,050	6,666

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