



**St Oswald's  
Hospice**



**Trustees' Annual Report  
and Financial Statements**  
for the year ended 31 March 2020

*Quality time for everyone*

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**  
**CONTENTS**

	<b>Page</b>
Welcome to our Annual Report	2
Reference and Administrative Details	2
Message from our Chair	3
Board of Trustees and Management at 31 March 2020	5
Our Professional Advisors at 31 March 2020	6
Structure, Governance and Management	7
Related Parties and co-operation with other Organisations	9
Objectives and Aims	11
Policies to Achieve our Objectives	11
Strategic Report	14
- Managing Risk	14
- Achievement and Performance	17
- Ensuring quality - Monitoring and Compliance	22
- Operational Objectives	25
- Financial Performance	26
- Regulatory Statements	29
Trustees' Responsibilities Statement	32
Financial Statements for the Year Ended 31 March 2020	34
Independent Auditor's Report	35
Consolidated Statement of Financial Activities	38
Balance Sheet (Group and Hospice)	39
Consolidated Cash Flow Statement	40
Notes to the Financial Statements	42

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **Welcome to the Annual Report of St Oswald's Hospice Limited for the financial year ended 31 March 2020.**

Here you will find out all about our work, who we care for and how we operate. We have also detailed our mission and our objectives and highlighted both our achievements this year and our strategic plans going forward.

This report also includes a full set of audited financial statements for the year ended 31 March 2020. The financial statements comply with the Charities Act 2016, the Companies Act 2006, Articles of Association, and Accounting and Reporting by charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective September 2015).

### **Reference and Administrative Details**

St Oswald's Hospice is a company limited by guarantee, number 01166239 (not having a share capital). The company is a Registered Charity, number 503386 and its Articles of Association govern its functions.

St Oswald's Articles of Association were last amended on 29<sup>th</sup> November 2016.

Every member of the company undertakes to contribute to the assets if the company is wound up while he/she is a member, or within one year of ceasing to be a member, such amount as may be required not exceeding £1.00.

### **Our Registered Office**

We are registered at St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE. You can contact us by telephone on: 0191 285 0063, by email at: [enquiries@stoswaldsuk.org](mailto:enquiries@stoswaldsuk.org) or by fax on: 0191 284 8004

If you would like to find out more about our work, please go to our website: [www.stoswaldsuk.org](http://www.stoswaldsuk.org) or follow us on [Facebook](#), [Twitter](#) and [YouTube](#).

### **Board of Trustees and Directors**

The Board of Trustees who served during the year are set out on page 5, where you will also find details of the Hospice Management Team. Our professional advisors are detailed on page 6.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **Message from our Chair**

St Oswald's is a North East based charitable hospice. Our fundamental aim is to make a difference to local people's lives by providing outstanding and specialist palliative and end of life care for babies, children, young people and adults from across our North East region who have incurable conditions.

Our hope is for everyone we meet to make the most of the life they have, and we strive to help them do this in a safe and specialist caring environment. Patients and their families can feel relaxed and comforted knowing they are being expertly cared for, at a time when they really need it.

At the time of writing this message, our world as we knew it, both at St Oswald's and around the globe, has been changed forever because of the impacts of Coronavirus. Like many organisations, we have had to quickly adapt to the challenging and often daily changes this presented to us. My overriding feelings of the Hospice, are pride and gratitude. I am so very proud of how our whole workforce has responded, and continues to respond during this pandemic.

Sadly, in March 2020 we had to make the difficult decision to close all of our shops and cancel many of our traditional fundraising events and activities. This was a devastating blow to our income, the impact of which will be felt in the coming year. We were fortunate to be granted monetary support for our shops from our local authorities, plus we were in receipt of an unusually high value of legacy donations during the year, both of which have resulted in us being able to report a positive financial result. However these are both quite extraordinary income streams which we are unable to rely upon in future years.

We also had to make some difficult decisions about patient and family care. For some of our services, this has meant providing care in a very different way, and we have had to be creative and as responsive as possible to ensure our patients and families still receive the outstanding care they are used to from St Oswald's.

As you can imagine, these decisions have not been taken lightly and I am humbled by how all our staff and volunteers have ensured that throughout these unsettling changes, despite going through a global pandemic that threatens people's lives and wellbeing, our care services have remained open and accessible for existing patients and families, as well as for new referrals.

Although we know there are still tough times ahead, we have now begun to gradually re-open our shops and continue to adapt our care services and fundraising activities to reflect the current guidelines. We will continue to rise to the challenges this pandemic poses and I'm sure by working together with our committed and passionate supporters and partners too, we will continue to meet our aim of making the most of time and improving quality of life for everyone in the North East living with a life-limiting condition, and their families.

So what else have we been up to during 2019/20? To ensure the safest care is delivered to patients, we continued to embed the Outcome Assessment and Complexity Collaborative tool (OACC) throughout our services with Views on Care, and IPOS (The Integrated Palliative Care Outcome Scale). You can read more about these and their impact in the report on page 18. We also made changes to the titles

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**Message from our Chair (continued)**

and uniforms of the Senior Nurses across all care services. These changes are helping patients and their families better understand the nursing structure as they now reflect the equivalent roles and responsibilities in the NHS. I'm also pleased to report that the 'Family Room' building improvements and garden renovation work on the Adult Inpatient Unit is almost complete. These developments have been possible due to the generosity of our local community and will be ready for families to use from summer 2020.

As part of our ongoing commitment to improve the quality and efficiency of palliative and end of life care for patients and their families at St Oswald's, this year, as part of our collaborative work with other organisations, we were invited to be part of national and regional strategies looking into what the future of hospice care needs to be to ensure the families of the North East, and beyond, receive the best care possible. This work will continue throughout 2020/21.

Although maybe a distant memory for some, 2019 also saw the second fundraising art trail, Elmer's Great North Parade, hit the streets, parks and beaches of the North East. The trail was well received by all who took part and helped to raise around £400,000 towards our work.

During this year we also undertook a marketing review to help us shape our key messages for the future. Hundreds of stakeholders took part in the review, both internally and external to the Hospice, and from this research we now have a new look and feel which you will see rolled out over the coming months and years. The new artwork, which is based on what patients and stakeholders told us St Oswald's meant to them, is fresher and brighter and we hope you agree, better represents St Oswald's Hospice and our services. Thank you to Drummond Central who supported us with this work.

James Ellam, Chief Executive announced his intended retirement in 2019 and after leading the Hospice for almost fourteen years, he stepped down from his post in June 2020. His successor, Stephanie Edusei, joined our organisation in May 2020, and despite joining our team during a global pandemic and the local challenges this has presented us with, Stephanie has settled well.

Finally, I know as I write this there will be further challenges and changes ahead and I'd like to take this opportunity to thank our staff, volunteers and wider community for their continued support and passion for what we do. We will monitor and manage these changes over the coming year and beyond, and ensure we work flexibly and safely to continue to provide the outstanding care services that people have come to expect from St Oswald's for years to come.

Thank you for being beside us during these tough times. We know we can only do this with your support.

Thank you.

**Marie Liston**  
**Chair**

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**Board of Trustees and Management at 31 March 2020:**

**Vice-Presidents**

Lady Craft  
Professor Sir Michael D Rawlins  
Mr J Docherty  
Mr C Winskell MBE  
Mrs D Van der Velde  
Mr M P Robson  
Dr K Mannix

**Board of Trustees**

Mrs M Liston (Chair)  
Mrs Julie Harrison (Vice Chair)  
Mr B Hedley (Treasurer)

Mrs D Clasper	Dr H Lucraft	Mrs C English
Mr D Hicks	Mrs T Phillips	Dr N Morris
Mr N Hobdey	Mr S James	

**Changes in the year:**

Mrs A Elsdon resigned as a Trustee on 26 November 2019.

Mrs J Clarke retired as a Trustees on 26 November 2019.

Mr K Fanibunda retired as a Trustee on 26 November 2019.

The Hospice Management Team who, alongside the Board of Trustees, are also the Organisation's key Management Personnel

Mr J R Ellam	Chief Executive (retired 30 June 2020)
Ms S Edusei	Chief Executive (appointed 1 May 2020)
Mrs K Maclaren	Finance Director (maternity leave 4 October 2019 – 15 June 2020)
Mrs R Parker	Interim Finance Director (maternity cover for Mrs Maclaren)
Mrs H A Eadington	Director of Corporate Services and Company Secretary
Mrs A Egdell	Director of Care Services
Ms D I Heron	Director of People
Mrs A Ball	Director of Income and Marketing
Mr S Gordon	Director of Strategy and Development

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**Our Professional Advisors at 31 March 2020**

**Auditor:**

RSM UK Audit LLP  
1 St James' Gate  
Newcastle upon Tyne  
NE1 4AD

**Solicitors:**

Ward Hadaway  
Sandgate House  
102 Quayside  
Newcastle upon Tyne  
NE1 3DX

Gordon Brown Law Firm LLP  
Hadrian House  
Higham Place  
Newcastle upon Tyne  
NE1 8AF

**Bankers:**

Barclays Bank PLC  
5 St Anne's Street, Quayside  
Newcastle upon Tyne  
NE1 2BH

**Investment Managers:**

UBS Wealth Management (UK) Ltd  
2 St James' Gate  
Newcastle upon Tyne  
NE4 7JH

**Health & Safety Advisors:**

Green Dragon Solutions Ltd  
8 Bamburgh Drive  
Wallsend  
NE28 6JX

**Pension Advisors:**

Tait Walker  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

**Insurance Advisors:**

D E Ford Insurance Brokers  
Poppleton Road  
Low Poppleton Lane  
York  
North Yorkshire  
YO26 6GZ

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **Structure, Governance and Management**

#### **Our Board of Trustees**

St Oswald's Hospice is governed by its Board of Trustees. Trustees are appointed for a four year term of office, by election at Trustee meetings. Trustees may be reappointed for a further term of four years if they put themselves forward for re-election and such reappointment is approved by the other Trustees, but at the end of that period they must step down. As an exception however, at the absolute discretion of Board of Trustees, the Chairman, Vice Chairman and Treasurer may be re-appointed for a maximum of a further five years. Trustees are not paid for the duties they undertake.

A minimum of two places are allocated for the appointment to Trustee posts from St Oswald's volunteer workforce. There are currently two Trustees who regularly volunteer at the Hospice. The Nomination and Remuneration Committee identify other Trustee posts and expertise required within the Board of Trustees.

Recruitment to Trusteeship is achieved by identifying and approaching potential members, advertising vacancies on our website and social media platforms and occasionally we advertise in appropriate media and professional associations. We look to create a Trustee board that offers St Oswald's diversity of skills and expertise and a balance of viewpoints.

All new Trustees follow an induction programme, which has a general component and a section tailored to their individual needs. Trustees are invited to provide feedback on this process, so we can continually look to improve the induction programme.

As part of their involvement in the work of St Oswald's, Trustees visit departments periodically during the year. Staff and volunteers can talk in confidence to Trustees, who then report their overall findings back to the Hospice Management Team (HMT) and recommend changes to be made, as they deem appropriate. Visits are valued by staff, volunteers and Trustees alike, providing insight into the day-to-day operations of St Oswald's and acting as an important communication tool for the organisation. Trustee visit reports are forwarded back to HMT for a management response to any issues raised and copies are made available to each team, members of the Clinical Governance and Quality Committee and all Trustees. Trustees visit our retail shops on a biennial basis, with HMT members undertaking an informal visit in the intervening year.

#### **Board of Trustee and Director Meetings**

Our Board of Trustees and Directors meet on alternate months in each year and review achievements and progress made against strategic objectives. In October each year, a closed session is held to review its own performance in accordance with good practice. From this work Trustees are able to further define their training needs, as highlighted above.



## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **Committees**

The Board of Trustees and Directors (also referred to as 'the Board' within this report) have three Committees that aid the conduct of their responsibilities. These are:

- Audit and Finance Committee;
- Nomination and Remuneration Committee; and
- Clinical Governance and Quality Committee.

Most Trustees and Directors serve on one or more of the Committees as noted below:

### **Committee Membership at 31 March 2020**

<b>Audit and Finance</b>	<b>Nomination and Remuneration</b>	<b>Clinical Governance and Quality</b>
<b>Trustees:</b>	Mrs M Liston (Chair)	Mrs C English (Chair)
Mr B Hedley (Chairman)	Mrs J Harrison	Mrs D Clasper
Mr S James	Mr B Hedley	Dr N Morris
Dr H Lucraft	Mr N Hobdey	Mr S James
Mrs T Phillips	Mrs T Phillips	

<b>Attending Directors:</b>		
Mr J R Ellam	Mr J R Ellam	Mrs H A Eadington
Mrs H A Eadington	Mrs H A Eadington	Mrs A Egdell
Mrs K Maclaren/ Mrs R Parker	Ms D I Heron	Ms D I Heron

Average Trustee attendance at Audit and Finance, Nomination and Remuneration and Clinical Governance and Quality Committee meetings during the year stood at 93%, 92% and 94% respectively.

Average Trustee attendance at the bi-monthly Board meetings stands at 75%.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **St Oswald's Hospice Promotions Limited**

St Oswald's Hospice Promotions Limited is a wholly-owned, non-charitable subsidiary of St Oswald's Hospice Limited and is a company registered in England number 03146260.

The primary activities of the subsidiary are: to run a lottery and to co-ordinate other promotional or trading activities to generate funds for the charity. Taxable profits generated by the subsidiary are passed on to the parent company by Gift Aid.

The Board is currently made up of two Trustees from the holding company (one of whom is the Chair), the Chief Executive and Director of Corporate Services of the holding company and two independent Directors. Our Director of Income and Marketing, Finance Director, Head of Retail, Head of Fundraising and Director of Strategy and Development also attend the meetings.

### **Hospice Management Team and Delegation of Powers**

The management of St Oswald's is delegated to the Hospice Management Team (HMT), comprising the Chief Executive and six other Management Team members, each with responsibility for specific aspects of the work the Hospice undertakes (as outlined on page 5). The Chief Executive, with the support of the Management Team, reports to the Board, which approves major decisions and has overall responsibility for the Hospice's activities and direction.

The Board reviews and approves its Reservation of Powers, Delegation of Powers, Scheme of Delegation, Standing Orders and Standing Financial Instructions on a biennial basis to ensure high quality governance, the safeguarding of its assets and the good name of the charity.

### **Changes in our Management Team**

There were two changes in our Management Team this year; Ms D I Heron had a title change from Director of Human Resources to Director of People. Mrs K Maclaren was on maternity leave and Mrs R Parker was interim Finance Director during this time. After the end of the year, Ms S Edusei joined the Management Team as Chief Executive and Mr J Ellam retired from this post.

### **Related parties and co-operation with other organisations**

We are contracted to provide care and support to local adults by one Care Trust, three Clinical Commissioning Groups (CCGs). We also have a Service Level Agreement with Northumberland, Tyne & Wear NHS Foundation Trust in respect of medical revalidation.

With regards to our Children and Young Adults Service, we are contracted to provide specialist short breaks and end of life care (when required) by all six local CCGs. Joint health and social care contracts, with Local Authorities, are in place for under 18's provision.

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

We train and educate undergraduates and postgraduate students in a range of health care professions from Newcastle University, Northumbria University and Teesside University.

One of our strategic objectives in our Vision 2025, our 10 year plan, recognises the need to work more closely with other organisations to help develop palliative care and end of life services. Further details are included on this later in the report.

We are members of the umbrella organisations Together for Short Lives and Hospice UK, who provide a national voice for children and adult hospices respectively.

We are also a member of the Hospice Lotteries Association and the Lotteries Council.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **Objectives and Aims**

The principal activity of the Hospice is to provide specialist palliative and end of life care to adults, children and young people from the North East of England.

Our Vision Statement, based upon our principal activity, is:

**Together**, we will make the most of time and improve quality of life for everyone in the North East living with an incurable condition, and their families.

**Together**, with the vital support of our staff, volunteers, donors and supporters, we will continue to develop and grow our services so that everyone in our region gets expert, dignified and compassionate care when they need it.

The Trustees have followed Charity Commission guidance on public benefit in section 4 of the Charities Act 2011 and believe that the above objectives and vision, and the activities described throughout this report are undertaken to further the charity's purposes for the benefit of the public.

### **Policies to Achieve Our Objectives**

#### **Recruitment, Retention and Development of Staff & Volunteers**

We are committed to providing a quality service at St Oswald's. We aim to ensure we have a workforce in place that enables us to achieve our strategic objectives. We have systems and procedures in place to ensure we recruit the right people, with the right skills, knowledge and attitude into the right roles, train them fully and manage them effectively.

Our People related policies and procedures comply with legislative and regulatory requirements and reflect best practice and govern all our activities, ensuring all our staff and volunteers work within safe and effective systems.

St Oswald's Criminal Records Policy requires all applicants for paid and voluntary, permanent or temporary posts to disclose, as a minimum, any unspent criminal convictions as part of their application. In addition, the Safeguarding Vulnerable Groups Act 2006 requires that certain roles (paid or voluntary) with access to children or vulnerable adults should be subject to a criminal records check, via The Disclosure and Barring Service (DBS), before employment or unpaid work or placement commences.

Our 'values' and linked 'standards of behaviour' are well embedded across St Oswald's. Our values are our core beliefs, and they provide a guide to staff and volunteers explaining who we are, how we work, what we believe in and stand for.

One of the main themes for our 2018-2021 People Strategy is wellbeing. We will continue to work towards achieving the Better Health at Work Award, using as our focus feedback on our survey of staff and building on the "Five Ways of Wellbeing"

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

The Engagement group continues to focus its work and actions in response to the outcomes of the bi-annual staff surveys. This year's surveys asked staff for their views on "integrity" and "voice".

Each year we deliver a planned learning, development and education programme necessary to our staff and volunteers to ensure they undertake their roles safely, in a well managed environment and that equips them to continue to deliver high quality services as they grow and develop. In the coming year we will be focusing our attention on how to delivery a more blended approach to training delivery including increasing our sue of digital technology.

This year saw the establishment of a new Equality, Diversity and Inclusion (EDI) group and the delivery of training to all our managers in equality, diversity and inclusion. In 2020/21 we plan to extend this training to the rest of the organisation.

### **Staff Remuneration**

Job Evaluation is applied to every post at its creation, or when changes in responsibilities are required of the post holder. Remuneration is then set by matching the evaluation against the Hospice Pay Scales. The Nomination and Remuneration Committee sets the salaries of the Hospice Management Team and Medical Consultants.

Salaries for Medical Consultants mirror those set within the NHS Consultant contract. Proposed cost of living awards are set out in the Business Plan, which is presented to the Board of Trustees for approval before the start of each financial year.

### **Pay Policy for Senior Staff**

The Board of Trustees, the Chief Executive and the Hospice Management Team comprise the key management personnel of the charity in charge of directing and controlling the charity and running and operating the Hospice on a day to day basis. All trustees give of their time freely and no trustee remuneration was paid in the year. Details of trustee expenses and related party transactions are disclosed in note 12 of the accounts.

Trustees are required to disclose all relevant conflicts of interest in line with St Oswald's Conflict of Interest policy including registering them with the Company Secretary and, in accordance with the policy, withdraw from decisions where a conflict of interest arises.

The pay of the charity's Chief Executive and HMT is reviewed annually by St Oswald's Nomination and Remuneration Committee and any recommended uplift is approved by the Board of Trustees. The uplift normally matches that awarded to all other staff groups although every 3 years a full review of the salary of the Chief Executive and HMT will take place. This will be benchmarked to other charities of similar size and turnover and seek to compare like with like posts.

### **Equality of Opportunity**

St Oswald's fully supports the principle of equality and diversity as reflected in the development of the new EDI group mentioned above. It is committed

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

to ensuring that all current and potential staff and volunteers are treated with dignity, fairness and respect, regardless of their sex, marital status, age, sexual orientation, race, ethnic or national background, religion, beliefs or disability.

We promote an environment in which individual staff can utilise their skills and talents to the full, and that the best people are recruited for our jobs from as wide and diverse a pool of talent as possible.

### **Staff Involvement**

The views of staff and volunteers are sought via line managers, feedback bank, special briefings, ad-hoc focus groups, surveys and departmental visits from HMT and Trustees. This includes information of particular interest to staff (including financial and economic factors) and for views on important matters of policy.

### **Disability in Employment**

We employ people living with disabilities when they are suitable for a particular vacancy and every effort is made to ensure that they are given full and fair consideration. We are now a Disability Confident employer.

### **Volunteers**

Approximately 1,000 local people are registered with us as volunteers. In addition we have volunteers who support us on an ad-hoc basis with fundraising events. Volunteers offer their skills, experience, expertise and time to every department in the Hospice and Promotions Company and form an important part of St Oswald's workforce.

We recruit volunteers from our local communities. They are subject to the same requirements as paid staff in respect of compliance with statutory and regulatory conditions, standards of competence, personal conduct and integrity.

Volunteer links provide volunteers with ongoing training, guidance and support, in addition to recruitment, development and support services provided by our HR, Volunteer and Learning and Organisational Development Departments. We are a volunteering organisation and without the support and commitment of our volunteers we could not provide vital hospice services to local people and families.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **STRATEGIC REPORT - Managing Risk**

Keeping patients, families, staff and visitors safe is a fundamental principle at St Oswald's and as such, risk management is firmly embedded in the culture and structure of the organisation.

Trustees and HMT review and update the Risk Register at Board meetings, as well as analyse our Balanced Scorecard reporting tool on a quarterly basis. Our Balanced Scorecard includes key performance indicators for areas of activity. If there are areas of concern or risks are identified, they are discussed at Board meetings and action is taken to address or control them. The Balanced Score Card is reviewed on an annual basis by the Board of Trustees and Directors.

We have a Risk Management Group (RMG) which ensures policies, procedures, systems, controls and awareness programmes are in place to minimise risks. The group reports into HMT and meets quarterly. Across the Hospice we have a culture of monitoring adverse events, complaints and feedback as a way to monitor risk.

### **Impact of Covid-19 Epidemic Risk**

Towards the end of the financial year the UK entered a national lockdown to stem the spread of Covid-19. The epidemic could have severe implications for our service delivery, income generation, health and safety and overall governance. The epidemic is a fast-moving challenge to all our normal operations. However, clinical services are being managed closely via a daily clinical Emergency Planning Group (EPG) meeting chaired by Director of Care Services. This is supported by a weekly Operational EPG and weekly Finance EPG chaired by Chief Executive to control the Hospice response, and mitigate the risks to the organisation so far as possible.

The organisation continues to respond to the dynamic national guidance across the organisation, new ways of working have been implemented including remote working for non-clinical staff, and the impact on service delivery has been minimised as far possible.

### **Environment and Fire Risks**

Green Dragon Solutions Ltd continue to provide St Oswald's with safety, health environment and fire risk management advice and an additional layer of scrutiny to our operations. Green Dragon continue to provide advice on implementing a wide ranging action plan and offer ad-hoc advice and support, where necessary.

### **Clinical Risks**

We also have a Clinical Quality Group in place to ensure clinical quality is maintained across the Hospice. The Group monitors clinical activity, patient experience data and adverse events.

There are a number of dedicated sub-groups which feed into the Clinical Quality and RMG groups, namely: Data Quality and Records Management, Business Change/Business Technologies, SystmOne, Ethics, Infection Control, Water

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **STRATEGIC REPORT - Managing Risk (continued)**

Hygiene, Emergency Planning, Clinical Audit, Nutrition, Medicines Management, Manual Handling, Clinical Education, Medical Gases, Palliative Care Advice Line, OACC, Enablement Group and Dementia. Both the Clinical Quality Group and RMG report into the Trustees' Clinical Governance and Quality Committee meetings.

Each year we produce a Risk Management and Clinical Quality Report to provide the Clinical Governance and Quality Committee with a summary of the key elements of Risk Management and Quality Improvement work within St Oswald's over the past year. This report also gives a summary of all the dedicated risk sub-groups and outlines the plans going forward.

#### **External Bodies**

Our external auditor, RSM UK Audit LLP, bring with them the benefits of a firm large enough to have considerable expertise in the not-for-profit, public and private sectors.

#### **Financial Risk Factors**

Risks are reviewed annually by the Trustees and the most significant financial risk facing St Oswald's are as follows:

##### **Income Risk**

Income Risk is the reliance on potentially volatile income streams such as lottery income, voluntary donations, retail and fundraising income and legacies. In the rapidly changing economic environment due to the covid-19 epidemic, there is much uncertainty surrounding the charity's ability to generate income. The risk is mitigated as far as possible by redesigning fundraising activities to be covid-safe, operating shops in line with government guidance and remaining responsive to changes in the local environment.

Financial pressures within the NHS may result in some of the Hospice's services becoming economically unviable. Strenuous efforts are made to communicate regularly with Clinical Commissioning Groups and to instigate negotiations wherever necessary.

##### **Fraud and Financial Crime Risk**

Any business carrying out activities that involve handling large amounts of cash faces the risk of loss of income through fraud or theft. An Internal Financial Control policy has been established to outline operating procedures to minimise these risks. For members of staff handling cash remotely, facilities are also in place to ensure that they are able to bank money quickly and locally rather than hold on to cash for long periods of time. Staff are made fully aware of their responsibilities in respect of handling cash and these procedures during induction, and are reminded of their responsibilities on an annual basis. Should any incident of theft or financial crime be suspected, the procedure detailed in the Fraud policy is followed and the appropriate authorities notified in a timely manner.



**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**STRATEGIC REPORT - Managing Risk (continued)**

**Investment Risk**

The Hospice is exposed to fluctuations in the stock market which affect the value of its investment portfolio. The portfolio is monitored by the Audit and Finance Committee at each of their meetings throughout the year. The portfolio is designed both to generate a stream of dividend income and as a long term investment. Trustees recognise that its value is subject to fluctuations in the stock markets. The risk profile of the portfolio, is under constant review by the Audit and Finance Committee, which is advised by the Hospice's investment managers, currently UBS. The value of the investments was impacted by Covid-19 at year end; however value has partly recovered in the proceeding months.

**Liquidity Risk**

Trustees monitor the Hospice's liquidity by means of KPI reporting through the management accounts alongside cash flow forecasts. To date the Hospice's inflow of cash income has been sufficient to service cash expenditure. Should problems arise in the future Trustees have access to the hospice's investment portfolio to remedy a situation if needed, without compromising the Hospice's operations.

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

### STRATEGIC REPORT – Achievements and Performance

Our fundamental aim is to make a difference to the lives of local people by providing excellence in specialist palliative and end of life care. Detailed below, we explain how we have supported local families over the last year and demonstrate the impact of our work.

#### Adult Services

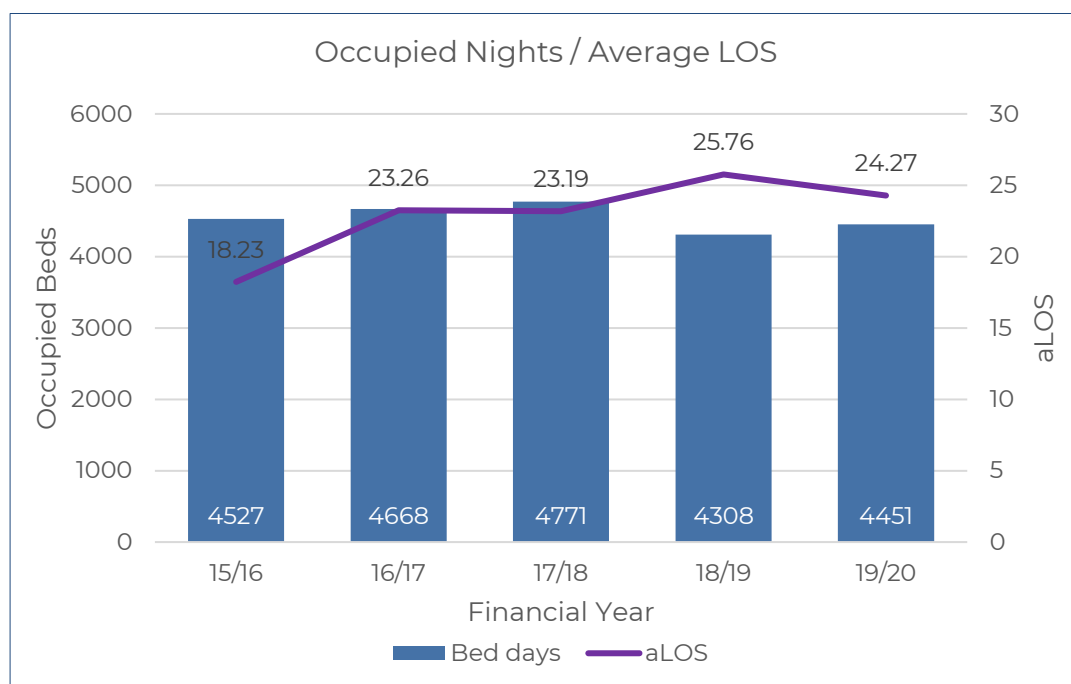
Our Adult Service offers an inpatient service; a lymphoedema service; 'focus on living centre' comprising of a day hospice, therapeutic activities in both group and one-to-one sessions; complementary therapy; 'positive steps' programme for prospective patients and their carers; carer and bereavement support. Patients are usually referred to us from Newcastle, Gateshead, North Tyneside and Northumberland, with occasional specialist referrals from further afield.

#### Adult Inpatient Unit

Our inpatient service has fifteen beds and one emergency bed. Our multidisciplinary team works together to: ensure patients with specialist palliative care needs can maximise their quality of living by providing pain and symptom control, psychosocial, emotional and spiritual support; facilitate a safe and timely patient discharge to home or transfer to a continuing care service, as well as provide a supportive environment at the end of life.

Last year...

- 183 adult inpatient admissions, 69 patient discharges and 116 deaths.
- patients stayed with us for an average stay of 24 days.



## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **STRATEGIC REPORT – Achievements and Performance (continued)**

- 4451 bed days were occupied during the year.
- average bed occupancy was 81%.
- 252 phone calls were received from health care professionals to the palliative care advice line – a service offered in conjunction with Marie Curie Cancer Care. A further 42 calls were received from fellow Specialist Palliative Care Professionals in a new service offered by St Oswald's Hospice.

As it's our primary aim that the best, safest care is delivered to patients and families, we continue to embed the Outcome Assessment and Complexity Collaborative tool (OACC) throughout our services with Views on Care and IPOS (The Integrated Palliative Care Outcome Scale). IPOS is a scale of measurement that gives patients the opportunity to discuss any concerns or other symptoms they are experiencing, and to state whether they require information or have additional practical needs.

This year we continue to make improvements to our building and gardens on the unit. Recognising the importance of providing spaces families can enjoy together, we have built an extension for a 'family room'. Our patient garden is also undergoing a transformation for patients and families to enjoy. These developments have been possible due to the generosity of local people and should both be ready to use fully in late summer 2020.

#### **What families said. . .**

*"To all the staff at St. Oswald's. There are no words that cover the gratitude my family and I have for the level of care and attention you provided for my father in his last days. You also provided infinite support for myself and our family. I could spend every minute with him while he was in your care. It was from the*

*reassurance you provided. It was the first time I felt comfortable to step back. That trust is something special to have the ability to do that. I do not have to resort to comic books to find superheroes in this world. I can find them at this magical place you have built. Thank you for making my father's last days as painless and comfortable as possible. My family and I will be eternally grateful."*

*"I would like to give a big heartfelt Thank You to everyone that has given us Care Love, Support and Friendship during our time at St. Oswald's Hospice. You truly are amazing each and every single one of you. From Doctors, Nurses, Auxiliary's, Domestic's, Cook, Kitchen Staff, and Volunteers. You have all chosen the right profession. AMAZING just AMAZING."*

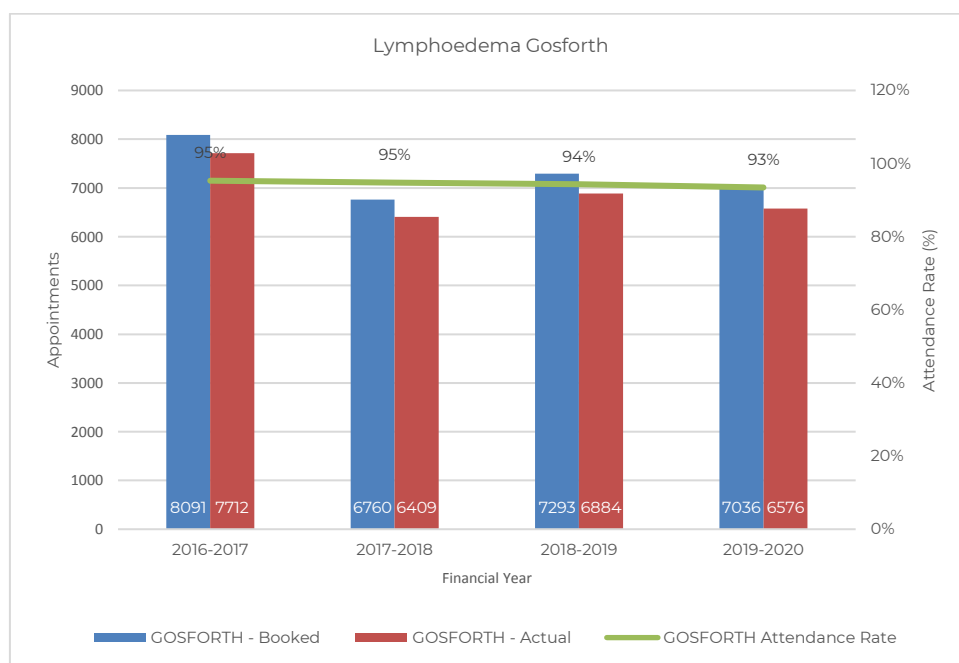
#### **Adult Day Services**

- Our Focus on Living Centre offers traditional Day Hospice three days a week, combined with therapeutic group and one to one activities five days a week. This year we've further built on providing more tailored groups and courses for the people we care for.

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

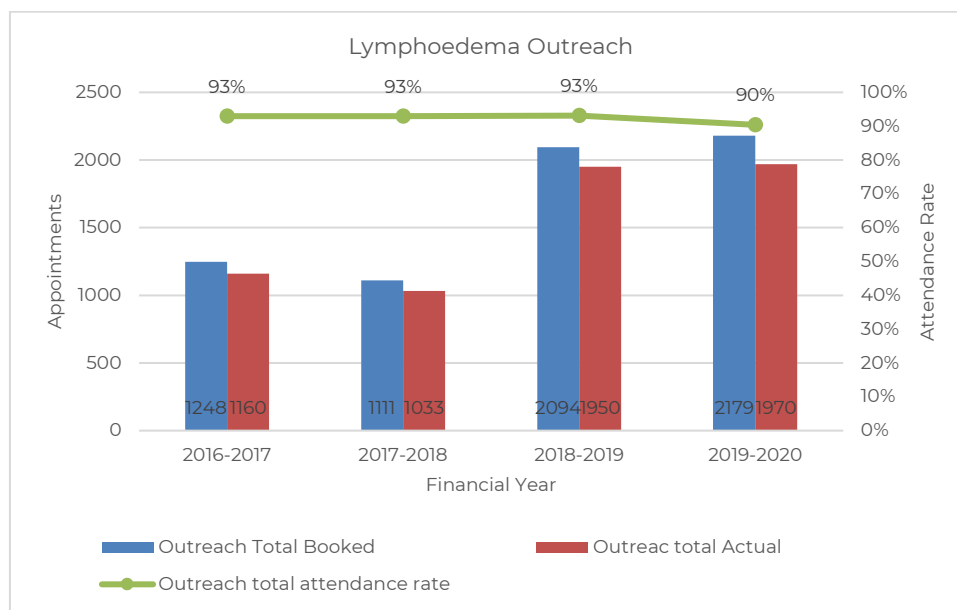
### STRATEGIC REPORT – Achievements and Performance (continued)

- Within Focus on Living Day Hospice, we received 188 new referrals.
- There was an average of 128 Day Hospice places booked each month, which is a reduction on the previous years as the service reduced from four days per week to three days. The average attendance rate over the year was 97% compared to 75% the previous year.
- This year we have further expanded our therapeutic activities and group sessions offered to patients. There were 1174 individual attendances over 22 different activities or groups ranging from Creative Writing to Proggy Mat making.
- 188 Outpatient appointments attendances, including a Consultant-led clinic, a Cognitive Behavioural Therapy clinic, acupuncture, hypnotherapy clinics and a pilot project for Young Adults.
- 905 Complementary Therapy sessions were provided to patients across all services and a further 140 for carers.
- 848 referrals to our Lymphoedema Service and a total of 8546 Lymphoedema attendances across all of our clinics, including a small proportion who are seen at home. Clinic appointments include new patient assessments, review appointments, garment fittings and intensive treatments which can involve attending clinic daily over a number of weeks.
- We operate outreach in Shiremoor, Blaydon and South Tyneside. The Morpeth Clinic closed due to a fall in numbers as Northumberland reconfigured services and moved non-complex lymphoedema management to the Tissue Viability Team.



## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

### STRATEGIC REPORT – Achievements and Performance (continued)



#### What our Day Services Patients and their families think. . .

*"Before I came to the Focus on Living group I didn't feel like I had a purpose. Living with cancer makes you feel isolated. This group makes me feel alive and part of a family. Never did I think I would ever look forward to getting up and doing something I really enjoy. The staff are wonderful; they treat the whole group as a unit like a family that I am so proud to be part of. Life with cancer is crap, but I have the best Tuesdays ever at St Oswald's."*

*"I would like to thank all the lovely staff at St Oswald's for the amazing job they've done on my leg, in two weeks my leg has gone from severe to absolutely amazing, thank you for your hard work it's very much appreciated."*

*A Lymphoedema Service patient*

*"My gran attended St Oswald's (Focus on Living Centre) every Thursday and absolutely loved the friends she made, the staff and the activities she took part in. She also spent her final days in St Oswald's (Inpatient's Service) and was where she passed away on 20th December 3 years ago. The staff gave so much care to not only my gran but my whole family and we couldn't have coped without them. It's a wonderful place filled with wonderful selfless people."*

#### Children and Young Adults Service

We provide specialist short breaks and end of life care to babies, children and young adults, aged from 0 to 25, with progressive, life-shortening conditions. Specialist, medically-supported care is provided, 24 hours a day, seven days a week.

- 56 children and their families benefited from our Children's Service.
- A further 11 young adults were cared for at St Oswald's.
- We had 655 admissions, 1,965 bed days were occupied with an 93% occupancy rate.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **STRATEGIC REPORT – Achievements and Performance (continued)**

- The average length of stay is 3 nights per visit for children (2.9) and young adults (3.4) which is a slight shift from the average of 4 nights for young adults previously.

We continue to work closely with Great North Children's Hospital, including the provision of on call support. We're working with them to increase access for children requiring end of life care where St Oswald's is the place of choice of the family.

We continue to work on our pilot project with Together for Short Lives to provide a new outpatient service for young adults, in partnership with NHS NewcastleGateshead Clinical Commissioning Group (CCG). The clinic is part of a national scheme to improve transitions for young people moving from children's to adult health services.

### **What children, young adults and their families said . . .**

*"My son has respite at the Children and Young Person's unit. He has a fantastic time there. The unit has a lovely friendly feel and he is very well cared for. He also takes part in wonderful social experiences organised by the staff. We can have a regular break from our caring role knowing that he is happy, secure and enjoying himself."*

*"The most incredible place with the most amazing staff currently supporting our family through one of the most hardest experiences in our lives."*

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**STRATEGIC REPORT - Monitoring and Compliance**

**Ensuring Quality Care: Monitoring and Compliance**

We have a range of mechanisms in place to ensure we continue to provide an outstanding service to adults, children and young people.

We are monitored and regulated by the Care Quality Commission (CQC) and at last inspection (September 2015); we were awarded an overall rating of 'Good'. The CQC awarded us 'Outstanding' for care, and 'Good' for the following four outcomes: safe, effective, responsive and well-led. No recommendations for improvement were made. The regime under which Hospices are inspected changed in 2018 and as a result we have been working on reviewing our performance against the new requirements.

Internally, patient experience is measured by questionnaires, face to face interviews, focus groups and submissions to our 'feedback bank'. Our feedback bank serves as a central store for all patient experience data, as well as comments, complaints, compliments and suggestions from stakeholders.

Our Clinical Quality Group is tasked with reviewing all issues relating to patient experience and providing a quality service. They take forward any action that needs to be taken and update our Compliance Register accordingly. Regular updates are provided to Trustees via our Clinical Quality & Governance Committee.

The NHS' Friends and Family Test is included in all patient, staff and volunteer surveys. This involves asking if people would recommend St Oswald's as a care provider and/or an employer. Results are now reported to the Board of Trustees as part of our Balanced Scorecard and provide an additional quality assurance tool.

This year we continued work to achieve two national CQUIN (commissioning for quality and innovation) targets; the first around falls reduction and the second staff flu vaccines.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **STRATEGIC REPORT - Monitoring and Compliance (continued)**

#### **Ensuring Quality in Fundraising Practice: Monitoring and Compliance**

Donors to our Hospice can be assured that we comply with the regulatory standards for fundraising. We are registered with the Fundraising Regulator and are committed to the Fundraising Promise and adherence to the Code of Fundraising Practice. We encourage our fundraising service providers we engage with to also be signed up to the code. This report covers the requirements charities must follow as set out in the Charities Act 2016.

It has cost us £9 million to provide our charitable hospice services this year. Approximately half of this came from statutory funding; we need to raise the balance through fundraising.

Our fundraising effort involves encouraging donations and legacies, running events and operating a lottery. Our in-house fundraising team sometime engage professional face-to-face or telephone fundraisers via an agency to help us deliver fundraising initiatives. We aim to ensure those agencies we employ also observe the highest standards in terms of fundraising practice.

This year, we also repeated our popular mass participation art trail, this time based upon the popular Elmer the Elephant character, which generated £400k gross income.

We are registered with the Fundraising Regulator and comply with all the relevant standards set out in the Code of Fundraising Practice. Several of our in-house fundraising team are members of the Institute of Fundraising.

Our lottery is regulated by the Gambling Commission, and we comply with the conditions set out in our licence.

We use third-party suppliers to help us raise funds particularly where we do not have the expertise in-house. We have safeguards in place when working with suppliers so that we protect our supporters and the reputation of our charity.

We ensure that the correct safeguards are in place with our suppliers and those who fundraise on our behalf. We require them to confirm that they comply with the Code of Fundraising Practice.

Our website outlines our complaints policy for the public and clearly explains how an individual can complain. We received 1 complaint in the 2019-20 financial year.

We respond to all complaints within 10 days. We encourage teams to register near misses, adverse events and feedback as well as formal complaints in order to identify possible or underlying areas in which we could improve. Complaints are dealt with in-line with our fundraising complaints policy. Most serious complaints are escalated to our Senior Leadership Team (SLT) and trustees so they can consider lessons learnt. We report to the Fundraising Regulator on the totality of our complaints.

We have published our vulnerable persons policy on our website. We are also signed up to the Fundraising Preference Service to enable individuals to opt out



**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**STRATEGIC REPORT - Monitoring and Compliance (continued)**

from receiving fundraising communications from us. We actioned no requests from this service last year.

In addition to our policy we have an agreed operating procedure to protect vulnerable people, which our fundraisers (both staff and third party) are familiarised with.

**Ensuring Quality in Retail: Monitoring and Compliance**

St Oswald's retail department works to a high-quality to meet the standards required by the hospice policies. The department has several working relationships with other organisations which help to strengthen our quality standards.

We are a member of the Retail Charity Association, the primary membership organisation for charity shops in the UK. The association influences and monitors legislation and regulations that affect charity retailing, and promotes the benefits of charity retailing to communities. We are also a member of Re-Use, a national recycling and reuse charity which supports members to meet their business compliance by audits and advice.

The Hospice play an active part in the 'North East Recycling Forum' (NERF), which offers a forum for the public, private and community sector, to share best practice in waste and recycling issues of which St Oswald's plays an active part.

Green Dragon Solutions Ltd visit and audit our shops and retail buildings on an annual basis. They offer advice and action plans to ensure we compliant and following all legal guidelines.

Our retail department runs a Gift Aid scheme which enables us as a registered charity to reclaim tax on a donation of goods made by a UK taxpayer, effectively increasing the amount of the donation made to us. We currently use E-productive to ensure we meet HMRC standards by providing training tools for all retail staff and volunteers and auditable processes and procedures.

## **STRATEGIC REPORT – Operational objectives**

### **Operational Objectives 2020/21**

The objectives for the year ahead 2020/21 are as follows:

#### **Topline**

To pursue our “Vision 2025” long-term objectives, including:

- To ensure that we maximise income opportunities, and pursue a culture of cost-savings and efficiency to maintain a sustainable economic model.
- To progress establishing a Palliative Care Research Centre in the North East.
- To work collaboratively with local Health partners in charities and the NHS to improve palliative care for patients.

#### **Care**

- In light of the Coronavirus pandemic, we will assess and amend all of our care services in response to the ongoing impact of Covid-19, and to enable us to meet the needs of our patients and families while maintaining patient and workforce safety.
- Maintain a high quality, patient-focussed care service, and our CQC rating of “Outstanding” for care.
- Further develop our ‘non-cancer’ care strategy.

#### **Income Generation**

To ensure that we maximise income opportunities and diversify where appropriate, and pursue a culture of cost-savings and efficiency, we will adapt our income generation methods as required to:

- Raise the funds required through all our voluntary income channels to ensure we are able to provide the prioritised essential palliative care services.
- Pivot fundraising opportunities with a digital focus where possible, particularly in response to the impact of the ongoing pandemic.
- Maximise opportunities to maintain and develop lottery, regular giving, e-commerce, in memory and legacy fundraising.

#### **People Objectives**

We will prioritise the objectives of the last year of the current three- year People Strategy to ensure St Oswald's has the staff and volunteer workforce in place to support its strategic objectives in a post COVID world. We will:

- Support staff and volunteer wellbeing and engagement.
- Build our volunteer programme, developing new clinical volunteering roles to support patient facing services.
- Ensure we have the IM&T infrastructure in place to effectively and efficiently support a more agile workforce.
- Build on the work begun in 2019/2020 to embed a coaching culture across St Oswald's Hospice.

These objectives are owned by the relevant HMT member and will be continuously reviewed during the year to monitor successful progress.

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**STRATEGIC REPORT – FINANCIAL PERFORMANCE**

For the year ended 31 March 2020 the organisation recorded a net surplus, including grants but before accounting for movements in our investments, of £955,918 (2018/19: net deficit of £439,632 ).

Total incoming resources for the year increased by 16.0% (2018/19: increase of 0.7%) to £14,691,061. Total resources expended increased by 4.8% (2018/19: increase of 5.0%) to £13,735,143.

During 2019/20 £957,623 (2018/19: £1,130,327) was gratefully received in grants and donations to cover specific projects. This is shown in the financial statements as “restricted income”, and appropriate expense is shown against it as “restricted expense”. This differentiates it from the normal ongoing operations of the Hospice, which is named “general” income and expense.

The financial effect of the normal ongoing operations of the Hospice is shown in the table below:

	<b><u>2019/20</u></b>	<b><u>2018/19</u></b>	<b><u>Movement</u></b>
General income	13,733,438	11,535,350	2,232,727
General expenditure	(12,633,886)	(11,591,619)	(1,076,906)
Net (expenditure) /income before movement on investments	1,099,552	(56,269)	1,155,821

**Incoming Resources**

Income falls between four main categories; incoming resources from donations & legacies, other trading activities incoming resources from charitable activities and investment income. There are detailed breakdowns of these categories in the Consolidated Statement of Financial Activities and the associated Notes to the Accounts.

**Incoming Resources from Generated Funds**

Donations and income from regular givers totalled £1,985,838 (2018/19: £1,704,915) of which £739,638 was restricted (2018/19: £930,507). Legacy income was extraordinarily high in the year at £2,224,091 (2019: £1,517,637).

Income from other trading activities has this year raised £5,880,578 (2018/19: £5,336,141 ).

St Oswald's Hospice Promotions Limited is our trading subsidiary, and this year a Gift Aid payment of £889,649 has been received (2018/19: £877,407). The subsidiary's main activity is the Hospice lottery and hosting the Elmer Art Trail in 2019.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)**

Investment income, comprising interest and dividends received was £46,915 for the year (2018/19: £44,662 ).

#### **Incoming Resources from Charitable Activities**

As in previous years our charitable activities received partial funding from the NHS and local social services, totalling £4,553,639 in the year (2019: £4,602,322). Work continues locally and nationally to try to improve the levels of funding received for each of our charitable services.

Income for adult inpatient services from block contracts with NHS bodies totals £1.94 million (2018/19: £1.69 million).

A grant totalling £217,985 was received from the Department of Health in the year (2018/19: £199,820), under Section 64 of the Health Services and Public Health Act 1968, to support the activities of our Children's Service, in addition to a payment per night for each child or young adult accommodated.

Income for Adult Day Services is generated by fees for the provision of lymphoedema services for outpatients. Lymphoedema income for 2019/20 was £1.49 million (2018/19: £1.31 million)

#### **Resources Expended**

In accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" issued in January 2015, costs of support services are shown relating to our direct charitable services. The costs of Human Resources, Corporate Services, Information Systems and Finance departments have been allocated to each of the direct service departments or income generation departments. The allocation is calculated according to the most appropriate measure of usage for each area of expenditure. Note 10: Analysis of Support Costs gives greater understanding of the costs incurred and their allocation.

#### **Costs of Raising Funds**

The cost of raising funds totalled £4,713,622 overall (2019: £4,364,382). Notably, sales of donated goods decreased by 2.7% (2018/19 increase of 1.0%), while equivalent costs decreased by 0.1% (2018/19 increased by 0.3%).

#### **Costs of Charitable Activities**

Expenditure on our charitable activities of £9,021,521 (2019: £8,740,927), including property costs, depreciation charges and support costs, represents 65.7% of total expenditure (2018/19: 66.7%). Staff costs remain by far the greatest type of expenditure incurred.

#### **Balance Sheet**

The Balance Sheet at 31 March 2020 shows funds of £14,561,045 (2019: £13,745,571) of which £10,254,578 is represented by fixed tangible and investment assets (2019:

## TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020

### STRATEGIC REPORT – FINANCIAL PERFORMANCE (continued)

£10,711,913 ). Notes 15 and 16 to the financial statements set out expenditure and other movements relating to fixed assets and fixed asset investments.

#### Key Performance Indicators

	Unit of measure	Target	2019/20	2018/19
Value of free reserves	£000's	6,558	5,349	4,267
Expenditure variance from budget <sup>93</sup>	%	<5%	4%	1%
Retail profit	pence in £	27	21	27
Fundraising expenditure ratio	pence in £	35	33	35
Staff turnover	%	<5.00%	3.54%	3.48%
Completed staff appraisals	%	100%	99%	99%
Adult inpatient occupancy	%	84%	81%	84%
Children and young adults occupancy	%	85%	93%	88%

#### Summary

2019/20 has been a hugely positive year financially, despite the uncertainty which became apparent at the end of the year due to the global pandemic. The standout positive variance, aside from the recognition of retail grants from local authorities to support our shops during lockdown, is income generated from legacies. Although unpredictable in nature, legacy income provides a valuable resource to the charity; in the year we were notified of and recognised over £2.2 million in legacy donations which had been bequeathed to the hospice. This amount far surpasses any annual total in the hospice's history. The hospice's fundraising and retail teams have performed strongly under challenging conditions and have collectively generated an unrestricted surplus of over £2.5 million.

As a result unrestricted funds have seen a welcome boost of £1.1 million, having been steady in 2018/19 (a small deficit of £56k).

As is expected, a deficit has been recognised on restricted funds largely due to depreciation of long term assets. The culture of being cost-conscious has continued throughout the year. Applications to grant-making charitable trusts have also proved very successful, with £740k of restricted grant income being recognised as income in the year. The cash position remains stable in the current year, Trustees continue to pursue a strategy of income generation and cost cutting to mitigate the risk of uncertain income, and are developing plans to ensure the hospice continues on a sustainable financial footing into the future. Therefore on this basis, the Trustees are satisfied with the financial position of St Oswald's Hospice Limited and St Oswald's Hospice Promotions Limited as at the year ended 31 March 2020.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **STRATEGIC REPORT – Regulatory statements**

We are required to make a number of statements to provide further understanding of how we manage our affairs and how we are governed.

#### **Investment Policy and Performance**

The objective of holding our fixed asset investments is to maintain the long-term purchasing power of the capital against inflation, whilst achieving a balance between capital growth and the generation of income for the charity, within a medium risk profile.

Once again this year no sales were made from the investment portfolio (2018/19: £nil sold). Dividend income is paid over to the Hospice as it is received. The remaining portfolio has declined in value in the latter part of the year by £140k, due to the uncertainty surrounding the global pandemic. The value has since increased by £93k in the quarter following year end.

The average return on our cash deposits was 0.1% (2018/19: 0.3%). The Bank of England base rate decreased from 0.75% to 0.1% during the year.

#### **Reserves Policy**

Strategic financial plans are now updated on a rolling programme to create the new year's business plan and a projection for the following four years. This gives an outline of the likely financial impact on reserves over a five year period.

The annual business plan allows Trustees to recognise longer-term financial pressures and opportunities for St Oswald's, be they external factors or internal objectives. Our plans highlight the pressures placed on our resources by changes in the fundraising and retail environments, the NHS, and changes in the demand for our various services, alongside our continued reliance on potentially volatile sources of income such as legacies. To counter these pressures we hold reserves to protect our ongoing commitment to beneficiaries to ensure we meet our contractual obligations and to provide a platform for our continuing activities. Where we feel it is appropriate, and we consider we have sufficient free reserves to allow, we will invest our reserves in capital assets to maintain or enhance our services.

In considering our policy on reserves, we establish a minimum level required to counter possible fluctuations in income and meet the costs of our legal obligations and anticipated medium term costs of maintenance to all our premises. We also established a maximum level of reserves based on income and expenditure expected in the next twelve-month period.

Our acceptable range of free reserves is reviewed annually by the Audit and Finance Committee and for this year the range is considered to be between £3.2 million and £9.9 million. Within this broad range, we have a target of £6.6 million, which we consider a reasonable amount to ensure the longer-term viability of the charity.

## **TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

### **STRATEGIC REPORT – REGULATORY STATEMENTS (continued)**

As at 31 March 2020, our accumulated general funds stood at £8,874,179 (2019: £8,019,339). Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets. Using this definition, the free reserves of the Charity at 31 March 2020 were £5,173,908 (2019: £4,267,469).

Though free reserves are below our target of £6.6 million, they are above our minimum calculated requirement of £3.2 million. Cost restraint continues, with no pay award for staff awarded in year; we recognise that the positive financial result reported for the year is due to one-off income streams which can not be relied upon to fund recurring cost increases in future years.

Our five year forecast currently shows a general reserves breakeven position for the year 2021/22; an action plan is being devised to ensure the replenishment of general reserves taking place from 2022 onwards.

Work on our 10 year vision continues, and trustees have decided that all vision work must be self-financing. Any new developments to our existing services must also be self-financing for the next few years; general reserves will not be used to fund such initiatives.

The Hospice designates certain reserves for specific purposes. Trustees approve a list of designated reserves each year. The total at 31 March 2020 was £51k (2019: £76k). These reserves are ring fenced for specific use in the following financial year and arise from a variety of sources.

### **Future Plans**

The financial environment experienced by all health and charitable organisations over recent years has had a profound effect on trustees' view of the management of reserves. Trustees aim to preserve the financial stability of the Hospice by limiting expenditure of general reserves, and aspire to increase the level of reserves over years to come. In particular, any new initiatives and projects undertaken by Hospice staff must be self-funding, rather than drawing on existing reserves. We are revising our fundraising and retail strategies for future years to ensure they are in line with government restrictions and social distancing measures. This will have an adverse effect on our income, and so adjustments have been made to our operations to reduce expenditure, while aiming to minimise the bearing this has on the services we provide.

### **Going Concern**

The Trustees are aware of the potential risk to income from Covid-19. Steps are being taken to ensure that the charity's core recurring expenditure is covered by the reduced income anticipated in the coming year. Contingency plans are in place to adjust the charity's obligations to the degree required. In the interim, the hospice has continued to operate having made use of grants from local authorities to support our retail shops, while post year end over 100 members of staff have been furloughed with funding accessed from the government's Job Retention Scheme, £1.1 million in emergency funding was secured from NHS England via Hospice UK for core running costs and our supporters have to date donated £350k

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**STRATEGIC REPORT – REGULATORY STATEMENTS (continued)**

to an emergency appeal to cover lost fundraising income. This has given the charity the time needed to adjust its operations and make firm plans to successfully emerge into the post-Covid world.

While the full effect of Covid-19 is yet to be seen, we are aware that it is a test to any organisation's Reserves Policy. The financial position of the charity is under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan for 2021/22, which includes an Income and Expenditure Statement and a cashflow forecast to March 2022, and have reviewed the organisation's resources. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.



**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**STRATEGIC REPORT – REGULATORY STATEMENTS (continued)**

**Trustees' Responsibilities Statement**

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

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

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

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

In so far as the Trustees are aware:

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

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

**TRUSTEES' ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2020**

**STRATEGIC REPORT – REGULATORY STATEMENTS (continued)**

**Auditor**

RSM UK Audit LLP have indicated their willingness to continue in office as auditor, and a resolution concerning their reappointment will be proposed at this year's Annual General Meeting.

**By order of the Board**



M Liston  
Chair

**ST OSWALD'S HOSPICE LIMITED**  
**(A Company Limited by Guarantee)**

**FINANCIAL STATEMENTS**

**For the Year Ended**

**31 March 2020**

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED**

### **Opinion**

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2020 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)**

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our 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 which includes the Directors' Report and the Strategic Report prepared for the purpose of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report and the Strategic Report included within the Trustees' Report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report or the Strategic Report included within the Trustees' Report.

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

- adequate accounting records have not been kept 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ST OSWALD'S HOSPICE LIMITED (CONTINUED)**

### **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities set out on page 32, 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 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**

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 provided on the Financial Reporting Council's website at <http://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. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



LUCY ROBSON (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor, Chartered Accountants  
1 St James' Gate  
Newcastle upon Tyne  
NE1 4AD

...23.1.11.20

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
(Incorporating the Income and Expenditure Account)**

**FOR THE YEAR ENDED 31 March 2020**

	Notes	General funds	Restricted funds	Total 2020	Total 2019
<b>Income and Expenditure</b>		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Income from:</b>					
Donations and legacies	2	3,470,291	739,638	4,209,929	3,222,552
Other trading activities	3	5,880,578	-	5,880,578	5,336,141
Investments	5	46,915	-	46,915	44,662
Charitable activities	6	4,335,654	217,985	4,553,639	4,062,322
<b>Total income</b>		<b>13,733,438</b>	<b>957,623</b>	<b>14,691,061</b>	<b>12,665,677</b>
<b>Expenditure:</b>					
Raising funds: other trading activities:					
Voluntary Income	7	615,304	-	615,304	488,117
Cost of activities for generating funds	7	4,037,523	-	4,037,523	3,871,404
Investment Management Fees		60,795	-	60,795	4,861
Cost of Charitable Activities	8	7,920,264	1,101,257	9,021,521	8,740,927
<b>Total Expenditure</b>		<b>12,633,886</b>	<b>1,101,257</b>	<b>13,735,143</b>	<b>13,105,309</b>
<b>Net income/(expenditure) before movement in investments</b>		<b>1,099,552</b>	<b>(143,634)</b>	<b>955,918</b>	<b>(439,632)</b>
Net loss on disposal of fixed assets					
(Loss)/gain on investment assets	16	(140,444)	-	(140,444)	6,742
<b>Net movement in funds</b>		<b>959,108</b>	<b>(143,634)</b>	<b>815,474</b>	<b>(432,890)</b>
Total funds brought forward					
at 1 April 2019	22	8,098,971	5,646,600	13,745,571	14,178,461
Transfers between funds	22	(8,769)	8,769	-	-
<b>Total funds carried forward at 31 March 2020</b>	<b>22</b>	<b>9,049,310</b>	<b>5,511,735</b>	<b>14,561,045</b>	<b>13,745,571</b>

All of the activities were continuing. There were no recognised gains and losses other than those included in the surplus this year.

The notes on pages 42 to 75 form part of these financial statements.

**BALANCE SHEET AS AT 31 March 2020**

**Group/Hospice**

		<b>Group</b>		<b>Hospice</b>	
	<b>Notes</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Fixed Assets</b>					
Tangible assets	15	9,212,006	9,478,101	9,212,006	9,478,101
Investments	16	1,042,572	1,233,812	1,042,574	1,233,814
Long term deposit		-	-	-	-
		<u>10,254,578</u>	<u>10,711,913</u>	<u>10,254,580</u>	<u>10,711,915</u>
<b>Current Assets</b>					
Stocks		20,306	34,193	20,306	18,230
Debtors	17	3,282,300	2,152,808	3,266,680	2,162,775
Short term deposit		-	-	-	-
Cash at bank and in hand		<u>1,735,798</u>	<u>2,022,752</u>	<u>1,535,477</u>	<u>1,575,453</u>
		<u>5,038,404</u>	<u>4,209,753</u>	<u>4,822,463</u>	<u>3,756,458</u>
<b>Creditors:</b>					
<b>Amounts falling due within one year</b>	18	<u>(731,937)</u>	<u>(1,176,095)</u>	<u>(691,129)</u>	<u>(802,434)</u>
<b>Net current assets</b>		<b><u>4,306,467</u></b>	<b><u>3,033,658</u></b>	<b><u>4,131,334</u></b>	<b><u>2,954,024</u></b>
<b>Total assets less current liabilities</b>		14,561,045	13,745,571	14,385,914	13,665,939
<b>Provisions for liabilities</b>	19	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net assets</b>		<b><u>14,561,045</u></b>	<b><u>13,745,571</u></b>	<b><u>14,385,914</u></b>	<b><u>13,665,939</u></b>
<b>Funds</b>					
Unrestricted funds:					
General funds	22	8,874,179	8,019,339	8,874,179	8,019,339
Non-Charitable					
Trading Reserve	22	<u>175,131</u>	<u>79,632</u>	<u>-</u>	<u>-</u>
		9,049,310	8,098,971	8,874,179	8,019,339
Restricted funds	22	<u>5,511,735</u>	<u>5,646,600</u>	<u>5,511,735</u>	<u>5,646,600</u>
<b>Total funds</b>		<b><u>14,561,045</u></b>	<b><u>13,745,571</u></b>	<b><u>14,385,914</u></b>	<b><u>13,665,939</u></b>

The net surplus before recognised gains and losses for the unconsolidated entity St Oswald's Hospice Limited was £719,978 (2019: net deficit £322,239).

The financial statements of St Oswald's Hospice Limited (registered number 01166239) on pages 34 to 75 were approved by the members of the Board of Trustees on 20<sup>th</sup> November 2020 and signed and authorised for issue on their behalf by:

**M Liston, Chair**





**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 March 2020**

	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net cash (outflow)/inflow from operating activities		(89,991)		(150,222)
<b>Cash flows from investing activities:</b>				
Dividend, interest and rents from investments received	46,915		44,662	
Purchase of tangible fixed assets	(294,674)		(157,343)	
Proceeds of sale of investments	891,088	-	290,838	-
Purchase of investments	(878,709)	-	(297,624)	-
Net cash (used in)/from investing activities		(235,380)		(119,467)
Decrease in cash held in portfolio		38,417		11,647
<b>Net cash (decrease)/increase</b>		<b>(286,954)</b>		<b>(258,042)</b>

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

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Net incoming / (outgoing) resources	955,918	(439,632)
Depreciation	560,769	581,427
Investment income	(46,915)	(44,662)
Loss on sale of Fixed Assets	-	18,007
Decrease in stocks	13,887	10,981
(Increase)/Decrease in debtors	(1,129,492)	(200,975)
Decrease in creditors	(444,158)	(75,368)
	<b>(89,991)</b>	<b>(150,222)</b>

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 March 2020 (continued)**

**Reconciliation of net cash flow to movement  
in net funds**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Decrease in cash in the year	<u>(286,954)</u>	<u>(258,042)</u>
Movement in net funds in the year	(286,954)	(258,042)
Net funds at 1 April 2019	<u>2,022,752</u>	<u>2,280,794</u>
<b>Net funds at 31 March 2020</b>	<u>1,735,798</u>	<u>2,022,752</u>

<b>Analysis of net funds</b>	<b>Opening net funds 1/4/19</b>	<b>Cash Flow</b>	<b>Closing net funds 31/03/20</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Cash at bank and in hand	<u>2,022,752</u>	(286,954)	1,735,798
	2,022,752	(286,954)	1,735,798

## **NOTES TO THE FINANCIAL STATEMENTS**

### **1. ACCOUNTING POLICIES**

#### **(a) Basis of preparation and consolidation**

##### **Accounting policies**

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

##### **Basis of accounting**

St Oswald's Hospice Limited is a charitable company, limited by guarantee, registered in England. The address of the charity's registered office and principal place of business is Regent Avenue, Gosforth, Newcastle upon Tyne, NE3 1EE.

St Oswald's Hospice Limited meets the definition of a public benefit entity under FRS 102. The charity exists for the benefit of the public through the provision of hospice services to members of the public suffering from life-limiting illnesses.

These financial statements have been prepared in accordance with "Accounting and Reporting by Charities": Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), and the Companies Act 2006.

The company has adopted the amendments to FRS 102 published in the Triennial review 2017. This has resulted in no change in accounting policies and no change in the current or prior year figures presented in the financial statements. Assets and liabilities are initially recognised at historical cost of transaction value except for investments which are included at market value.

The Statement of Financial Activities (SOFA) and balance sheet consolidate the financial statements of the charity and its subsidiary undertaking, St Oswald's Hospice Promotions Limited. The results of the subsidiary are consolidated on a line-by-line basis. The Charity has taken the opportunity presented by FRS 102 not to disclose transactions with the subsidiary.

The charity has availed itself of Section 396 of Chapter 4 (paragraph 5) of the Companies Act and adapted the Companies Act formats to reflect the special nature of the charity's activities. No separate SOFA has been presented for the charity alone as permitted by Section 408 of the Companies Act 2006.

The financial statements have been prepared on the assumption that the organisation will continue as a going concern for the foreseeable future. While the full effect of Covid-19 is yet to be seen, we are aware that it is a test to any organisation's Reserves Policy. The financial position of the charity is

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

under constant review, and action will be taken as needed to preserve the financial stability of the Hospice; the Risk Register has also been updated to reflect the new exposures faced. We have prepared a conservative business plan for 2021/22, which includes an Income and Expenditure Statement and a cashflow forecast to March 2022, and have reviewed the organisation's resources. As such, we have an expectation that the charity has adequate reserves to continue its operations for the foreseeable future. Therefore, the Trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

### **(b) Hospice status**

The Hospice is a company limited by guarantee. The guarantors are the members of the company. The liability in respect of the guarantee, as set out in the memorandum, is limited to £1 per member.

### **(c) Fund accounting**

General funds are available for use, at the discretion of the Members of Council, in furtherance of the general objectives of the Hospice.

Restricted funds are subject to specific restrictive conditions imposed by funders or by the purpose of the appeal. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Designated funds comprise general funds that have been set aside at the discretion of the Members of Council for specific purposes. The purpose and use of these designated funds is set out in the notes to the financial statements.

The non-charitable trading reserve represents the reserves held within St Oswald's Hospice Promotions Ltd.

All income and expenditure is shown in the Consolidated Statement of Financial Activities.

### **(d) Goods for resale**

Goods donated for resale are recognised as income on their sale. No value is attributed to these items prior to sale.

### **(e) Legacies receivable**

Income arising from legacies is recognised in the financial statements when the Hospice is notified of these entitlements, probate has been granted and the amount receivable can be defined with reasonable accuracy.

### **(f) Deferred income**

Income received in advance of entitlement is treated as a creditor and recognised as income in the period that it is entitled.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **(g) Gifts in kind**

The economic value of services provided by volunteers is not recorded in the financial statements. Volunteers carry out a great variety of roles, both regular and ad hoc, utilising skills and experience with differing economic values. To try and measure the value of each service provided is considered an exercise that would be too time consuming and too costly, utilising resources that could be better used for the benefit of patients and their families.

### **(h) Grants receivable**

Grants receivable are recognised in the Statement of Financial Activities as income. Where grants are received in relation to capital assets, the income is restricted as a reserve and written down in line with the depreciation relating to the asset concerned. Revenue grants are recognised in the year in which entitlement, certainty and measurable criteria are met.

### **(i) Resources expended**

All expenditure is accounted for on an accruals basis.

Costs of generating funds are those costs associated with the raising of funds from all the possible sources of incoming resources.

Cost of activities in furtherance of the charity's objects comprise expenditure incurred by the charity in meeting its main charitable objectives, namely the provision of hospice services.

Governance costs comprise those costs relating to the management of the charity's assets, an allocation of administration costs and compliance with constitutional and statutory requirements.

Support costs have been allocated to an activity in proportion to the income generated by that activity where appropriate.

### **(j) Pension costs**

The company contributes to the National Health Service Pension Scheme in respect of employees who were members of the scheme prior to their employment with the Hospice. This scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State in England and Wales. Consequently, it is not possible for the company to identify its share of the underlying assets and liabilities of the scheme. The scheme is therefore accounted for as a defined contribution scheme in accordance with FRS 102. For other employees the Hospice contributes to a defined contribution scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The contributions due for the year under both schemes are charged to the Statement of Financial Activities.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **(k) Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense.

Employees are entitled to carry forward unused holiday entitlement at the reporting date. The cost of any unused entitlement is recognised in the period in which the employee's services are received.

### **(l) Operating leases**

The annual rentals are recognised in the Statement of Financial Activities as incurred over the lease term.

### **(m) Irrecoverable VAT**

Irrecoverable VAT in relation to capital assets is capitalised with the cost of the assets concerned. Irrecoverable VAT that is incurred in each financial period in relation to items of revenue expenditure is recognised as a separate category of expenditure which is then allocated as a support cost as under note (i) above.

### **(n) Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost including any incidental expenses of acquisition. Only assets with a cost of more than £500 are capitalised. Items costing less than this are treated as expenditure items.

Depreciation is provided on all tangible fixed assets other than freehold land at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold premises	- 2% straight line
Short lease premises	- Spread over the term of the lease
Motor vehicles	- 25% - 100% straight line
Fixtures, fittings and equipment	- 10%-25% straight line

No depreciation is charged on freehold land. Depreciation has been charged in relation to buildings from the date that each service became operational. These buildings are reviewed on an on-going basis to ensure their value is not subject to any impairment.

### **(o) Investments**

Listed investments are stated in the balance sheet at mid-market value at the balance sheet date. Unlisted investments are stated at historic cost or, if gifted, at nominal value. Realised gains and losses on the disposal of investments are recognised in the Statement of Financial Activities. Unrealised gains and losses relating to movements in market value of investments are recognised in the Statement of Financial Activities.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **(p) Stocks**

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal.

### **(q) Liquid Resources**

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

### **(r) Financial instruments**

The charity has elected to apply the provisions of Section 11 “Basic Financial Instruments” and Section 12 “Other Financial Instruments Issues” of FRS 102, in full to all of its financial instruments.

All of the charities financial assets and financial liabilities qualify as basic financial instruments. Basic Financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### **Financial assets: Trade and other debtors**

Trade, group and other debtors which are receivable within one year and which do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

A provision for impairment of trade debtors is established when there is objective evidence that the amounts due will not be collected according to the original terms of the contract. Impairment losses are recognised in profit or loss for the excess of the carrying value of the trade debtor over the present value of the future cash flows discounted using the original effective interest rate. Subsequent reversals of an impairment loss that objectively relate to an event occurring after the impairment loss was recognised, are recognised immediately in profit or loss.

#### **Financial liabilities: Trade and other creditors**

Trade, group and other creditors (including accruals) payable within one year that do not constitute a financing transaction are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled.

### **Reduced Disclosures**

In accordance with FRS 102, the Charity has taken advantage of the exemptions from the following disclosure requirements:

- Section 7 ‘Statement of Cash Flows’ – Presentation of a Statement of Cashflow and related notes and disclosures.

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **(s) Critical accounting estimates and areas of judgement**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Critical areas of judgement**

Legacy recognition - legacies are recognised on a case by case basis after considering whether probate has been granted, and when the executor of the estate has communicated in writing both the amount and settlement date.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 2. DONATIONS AND LEGACIES

	General funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Donations	1,246,200	739,638	1,985,838	1,704,915
Legacies	2,224,091	-	2,224,091	1,517,637
<b>Total</b>	<b>3,470,291</b>	<b>739,638</b>	<b>4,209,929</b>	<b>3,222,552</b>
<b>2019 Total</b>	<b>2,292,045</b>	<b>930,507</b>	<b>3,222,552</b>	

St Oswald's Hospice Limited has an established team of volunteers who offer their time to each department across both the Trading Company and the Charity. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts. The current headcount is in the region of 1,100 volunteers working side by side with paid staff to support them to fulfil their duties. Volunteers are a valued resource to the organisation and we recognise their commitment and value.

### 3. OTHER TRADING ACTIVITIES

	General funds	Restricted funds	Total 2020	Total 2019
	£	£	£	£
Special events	1,084,884	-	1,084,884	820,302
Sale of donated goods	2,984,316	-	2,984,316	3,068,035
Catering sales	40,342	-	40,342	36,367
Trading subsidiary income (Note 4)	1,771,036	-	1,771,036	1,411,437
<b>Total incoming resources from other trading activities</b>	<b>5,880,578</b>	<b>-</b>	<b>5,880,578</b>	<b>5,336,141</b>

Income from the sale of donated goods has slightly decreased in comparison to the previous year, partly due to some shops not being fully staffed throughout the year due to Covid-19.

Income from special events has increased compared to the prior year because the 2020 figures include auction proceeds from the Elmer Art Trail, which was a one off event.

The income from Other Trading activities in 2020 and 2019 all related to unrestricted funds.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 4. TRADING SUBSIDIARY INCOME AND EXPENDITURE

The Hospice controls the whole of the issued ordinary share capital of St Oswald's Hospice Promotions Limited, a company registered in England. The taxable profits of the subsidiary are transferred to the Hospice each year by Gift Aid.

The results of the subsidiary are summarised below:

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Turnover	1,771,036	1,411,437
Cost of sales	(519,156)	(391,387)
Gross profit	1,251,880	1,020,050
Administrative expenses	(266,733)	(253,294)
Operating profit	985,147	766,756
Interest receivable	-	-
Profit on ordinary activities	<b>985,147</b>	<b>766,756</b>

The net assets of the subsidiary at 31 March 2020 amounted to £175,133 (2019: £79,634).

### 5. INVESTMENTS

	<b>Total 2020 £</b>	<b>Total 2019 £</b>
Dividends received	44,649	42,993
Interest received - charity	2,266	1,669
	<b>46,915</b>	<b>44,662</b>

Dividends receivable arise from the fixed asset investment portfolio. No individual shareholding within the portfolio generates more than 5% of the total dividends receivable.

The income from investments in 2020 and 2019 all related to unrestricted funds.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**6. CHARITABLE ACTIVITIES**

	<b>General funds</b>	<b>Restricted funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Public Authority contributions:				
Adult inpatient services	1,939,077	-	1,939,077	1,684,257
Adult day care services	1,487,738	-	1,487,738	1,306,556
Children & Young Adults' services	813,244	217,985	1,031,229	965,837
Medical outreach	73,483	-	73,483	70,608
Educational activities	5,006	-	5,006	14,896
Other professional income	17,106	-	17,106	20,168
<b>Total</b>	<b>4,335,654</b>	<b>217,985</b>	<b>4,553,639</b>	<b>4,062,322</b>
<b>2019 Total</b>	<b>3,862,502</b>	<b>199,820</b>	<b>4,062,322</b>	

Within the restricted income for 2020 is a grant of £217,985 (2019: £199,820) received from the Department of Health.

**7. Raising funds: Other trading activity**

	<b>Direct Activity</b>	<b>Restricted funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Costs relating to donations & legacies	615,304	-	615,304	488,117
Event costs	476,773	-	476,773	471,855
Sale of donated goods	2,641,439	-	2,641,439	2,643,247
Catering and other sales	133,422	-	133,422	111,621
Costs of trading subsidiary (Note 4)	785,889	-	785,889	644,681
Investment management fees	60,795	-	60,795	4,861
<b>Total</b>	<b>4,713,622</b>	<b>-</b>	<b>4,713,622</b>	<b>4,364,382</b>
<b>2019 Total</b>	<b>4,364,382</b>	<b>-</b>	<b>4,364,382</b>	

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**8. COSTS OF CHARITABLE ACTIVITIES**

	<b>General funds</b>	<b>Restricted funds</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Adult inpatient services	2,966,324	219,700	3,186,024	2,958,265
Adult day care services	2,260,345	160,293	2,420,638	2,454,981
Children & Young Adults' services	1,625,343	469,230	2,094,573	2,128,980
Bereavement Centre	174,607	-	174,607	171,945
Medical outreach	126,444	-	126,444	80,112
Strategic projects (Incl Macmillan)	84,672	247,421	332,093	353,524
Education activities	190,709	4,613	195,322	153,780
Governance costs	491,820	-	491,820	439,340
<b>Total costs of charitable activities</b>	<b>7,920,264</b>	<b>1,101,257</b>	<b>9,021,521</b>	<b>8,740,927</b>
<b>2019 Total</b>	<b>7,227,237</b>	<b>1,513,690</b>	<b>8,740,927</b>	

**9. NET INCOMING RESOURCES BEFORE RECOGNISED GAINS AND LOSSES**

**Net incoming resources before recognised gains and losses are stated after charging:**

	<b>Group 2020</b>	<b>Hospice 2020</b>	<b>Group 2019</b>	<b>Hospice 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Depreciation	560,769	560,769	581,427	581,427
Audit fees	15,000	13,000	15,000	12,750
Other auditors' remuneration	1,000	1,000	750	750
Internal audit fees	4,000	4,000	-	-
Operating lease charges (land & buildings)	453,981	453,981	450,433	450,433
Pension costs	589,204	580,881	531,452	522,088
Loss on disposal fixed assets	-	-	18,007	18,007

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 10. ANALYSIS OF SUPPORT COSTS

The expenditure shown in the Statement of Financial Activities includes the direct costs of each activity and a proportion of support costs incurred, as required by the Statement of Recommended Practice - Accounting and Reporting by Charities, effective 1 January 2015 The basis of allocation is explained in Note 1, Accounting Policies and a separate analysis of the costs that have been allocated is set out below:

	Human Resources £	Information Systems £	Finance £	Corporate Services £	Total Allocation £
<b>Donations &amp; Legacies</b>	5,822	12,917	13,548	17,443	49,730
<b>Commercial trading activities:</b>					
Event costs	8,040	17,837	18,710	24,088	68,675
Sale of donated goods	35,975	79,813	83,716	107,782	307,286
Catering sales	4,000	8,874	9,308	11,983	34,165
	<u>53,837</u>	<u>119,441</u>	<u>125,282</u>	<u>161,296</u>	<u>459,856</u>
<b>Charitable activities</b>					
Adult inpatient services	22,840	50,672	53,149	68,428	195,089
Adult day services	15,022	33,329	34,958	45,008	128,317
Children's services	22,203	49,260	51,668	66,521	189,652
Medical outreach	3,931	8,721	9,147	11,776	33,575
Educational activities	2,098	4,654	4,882	6,285	17,919
Bereavement Centre	1,606	3,563	3,738	4,812	13,719
Strategic projects	3,091	6,858	7,193	9,261	26,403
Governance	3,793	8,414	8,825	11,363	32,395
	<u>74,584</u>	<u>165,471</u>	<u>173,560</u>	<u>223,454</u>	<u>637,069</u>
<b>Total allocated support costs</b>	<b><u>128,421</u></b>	<b><u>284,912</u></b>	<b><u>298,842</u></b>	<b><u>384,750</u></b>	<b><u>1,096,925</u></b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**11. ANALYSIS OF TOTAL RESOURCES EXPENDED**

	<b>Direct Activity Costs</b>	<b>Support Costs (Note 10)</b>	<b>Depreciation</b>	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Voluntary</b>	<u>562,661</u>	<u>49,730</u>	<u>2,913</u>	<u>615,304</u>	<u>488,117</u>
<b>Cost of activities for generating funds:</b>					
Event costs	405,066	68,675	3,032	476,773	471,855
Sale of donated goods	2,253,502	307,286	80,651	2,641,439	2,643,247
Catering and other sales	82,298	34,165	16,959	133,422	111,621
Costs of trading subsidiary (Note 4)	<u>785,889</u>	<u>-</u>	<u>-</u>	<u>785,889</u>	<u>644,681</u>
	<u>3,526,755</u>	<u>410,126</u>	<u>100,642</u>	<u>4,037,523</u>	<u>3,871,404</u>
Investment management fees	<u>60,795</u>	<u>-</u>	<u>-</u>	<u>60,795</u>	<u>4,861</u>
<b>Total cost of activities for generating funds</b>	<b><u>3,587,550</u></b>	<b><u>410,126</u></b>	<b><u>100,642</u></b>	<b><u>4,098,318</u></b>	<b><u>3,876,265</u></b>
<b>Charitable activities:</b>					
Provision of hospice services:					
Adult inpatient services	2,835,681	195,089	155,254	3,186,024	2,958,265
Adult day services	2,165,588	128,317	126,733	2,420,638	2,454,981
Children and Young Adults' services	1,794,428	189,652	110,493	2,094,573	2,128,980
Bereavement Centre	140,879	33,575	153	174,607	171,945
Medical outreach	108,378	17,919	147	126,444	80,112
Strategic projects	318,211	13,719	163	332,093	353,524
Educational activities	<u>122,839</u>	<u>26,403</u>	<u>46,080</u>	<u>195,322</u>	<u>153,780</u>
	<u>7,486,004</u>	<u>604,674</u>	<u>439,023</u>	<u>8,529,701</u>	<u>8,301,587</u>
Governance costs	459,341	32,395	84	491,820	439,340
<b>Total</b>	<b><u>12,095,556</u></b>	<b><u>1,096,925</u></b>	<b><u>542,662</u></b>	<b><u>13,735,143</u></b>	<b><u>13,105,309</u></b>

Governance costs comprise mainly the costs of the Hospice Management Team and associated members of staff.

**12. TRUSTEES**

The trustees (who are also directors) were not entitled to receive any remuneration during the year and no remuneration was paid to them (2019: £Nil).

The amount of expenses reimbursed to Trustees during the year was £Nil (2019: £Nil).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**13. STAFF COSTS - GROUP**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Wages and salaries	7,838,864	7,599,270
Social security costs	654,141	635,910
Pension costs	589,204	531,452
Staff costs	<b>9,082,209</b>	<b>8,766,632</b>

There were five employees during the year (2019: five) whose emoluments amounted to over £60,000. Of these employees, three (2019: three) were consultants or senior medical staff, including the highest paid member of staff in each year. These staff can be analysed as follows:

	<b>2020</b>	<b>2019</b>
	<b>Number</b>	<b>Number</b>
£60,001 - £70,000	1	2
£70,001 - £80,000	2	2
£80,001 - £90,000	1	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£110,001 - £120,000	-	-
£120,001 - £130,000	-	-

Pension contributions made in respect of those staff classified as higher paid employees were £43,754 (2018: £38,397) in aggregate. Of these staff one was accruing benefits under a defined contribution scheme (2019: one) and four were accruing benefits under a defined benefit scheme (2019: four).

	<b>2020</b>	<b>2020</b>	<b>2019</b>	<b>2019</b>
	<b>Number</b>	<b>Whole time Equivalent Number</b>	<b>Number</b>	<b>Whole time Equivalent Number</b>
<b>Staff breakdown:</b>				
Direct charitable services	214	160	210	161
Support services	27	23	26	20
Management and administration	7	7	7	6
Fundraising and publicity	33	30	33	29
Trading activities (including subsidiary)	78	67	77	67
	<b>359</b>	<b>287</b>	<b>353</b>	<b>283</b>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**13. STAFF COSTS – GROUP (continued)**

Average staff numbers have been stated as full time working equivalents, based on a full time working week of 37.5 hours.

The company makes contributions to approved pension schemes for staff based on their earnings.

**Key management personnel**

The key management personnel of the group comprise those of the charity and the key management personnel of its wholly owned subsidiary St Oswald's Hospice Promotions Limited. The total employee benefits of the key management personnel of the group were £464,161 (2019: £453,169).

The key management personnel of the charity comprise the Trustees and Hospice Management Team listed on page 6 of this report

The key management personnel of St Oswald's Hospice Promotions Limited are:

Mr J R Ellam (retired 30 June 2020)

Ms S Edusei (appointed 1 May 2020)

Mrs HA Eadington

Mrs A Ball

Mrs K MacLaren

**14. TAXATION**

As a registered charity, the company is entitled to the exemptions from taxation in respect of income and capital gains received within categories covered by s252 Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied for charitable purposes only. It is therefore not normally liable to UK Corporation Tax.

Taxation of £Nil (2019: £Nil) has been accounted for in the results of the subsidiary.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**15. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Freehold Land and Buildings £</b>	<b>Short Lease Premises £</b>	<b>Motor Vehicles £</b>	<b>Fixtures, Fittings and Equipment £</b>	<b>Total £</b>
<b>Cost</b>					
1 April 2019	10,937,821	1,048,972	96,808	2,835,670	14,919,271
Disposals	-	-	-	-	-
Additions	172,554	-	-	122,120	294,674
<b>31 March 2020</b>	<b>11,110,375</b>	<b>1,048,972</b>	<b>96,808</b>	<b>2,957,790</b>	<b>15,213,945</b>
<b>Depreciation</b>					
1 April 2019	2,682,761	884,064	40,892	1,833,453	5,441,170
Disposals	-	-	-	-	-
Charge for the year	176,378	56,059	31,697	296,635	560,769
<b>31 March 2020</b>	<b>2,859,139</b>	<b>940,123</b>	<b>72,589</b>	<b>2,130,088</b>	<b>6,001,939</b>
<b>Net book value:</b>					
<b>31 March 2020</b>	<b>8,251,236</b>	<b>108,849</b>	<b>24,219</b>	<b>827,702</b>	<b>9,212,006</b>
31 March 2019	8,255,060	164,908	55,916	1,002,217	9,478,101

The freehold land and buildings, short lease premises, motor vehicles and fixtures, fittings and equipment are all used for charitable purposes.

<b>Hospice</b>	<b>Freehold Land and Buildings £</b>	<b>Short Lease Premises £</b>	<b>Motor Vehicles £</b>	<b>Fixtures, Fittings and Equipment £</b>	<b>Total £</b>
<b>Cost</b>					
1 April 2019	10,937,821	1,048,972	96,808	2,827,170	14,910,771
Disposals	-	-	-	-	-
Additions	172,554	-	-	122,120	294,674
<b>31 March 2020</b>	<b>11,110,375</b>	<b>1,048,972</b>	<b>96,808</b>	<b>2,949,290</b>	<b>15,205,445</b>
<b>Depreciation</b>					
1 April 2019	2,684,884	884,064	40,892	1,822,830	5,432,670
Disposals	-	-	-	-	-
Charge for the year	176,378	56,059	31,697	296,635	560,769
<b>31 March 2020</b>	<b>2,861,262</b>	<b>940,123</b>	<b>72,589</b>	<b>2,119,465</b>	<b>5,993,439</b>
<b>Net book value:</b>					
<b>31 March 2020</b>	<b>8,249,113</b>	<b>108,849</b>	<b>24,219</b>	<b>829,825</b>	<b>9,212,006</b>
31 March 2019	8,252,937	164,908	55,915	1,004,340	9,478,101

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**16. INVESTMENTS HELD AS FIXED ASSETS**

	<b>Listed £</b>	<b>Group Unlisted £</b>	<b>Total £</b>	<b>Listed £</b>	<b>Hospice Unlisted £</b>	<b>Total £</b>
<b>Listed investments</b>						
Value at 1 April 2019	1,177,791	-	1,177,791	1,177,791	2	1,177,793
Additions	878,709	-	878,709	878,709	-	878,709
Disposals	(891,088)	-	(891,088)	(891,088)	-	(891,088)
Net investment (loss)	(140,444)	-	(140,444)	(140,444)	-	(140,444)
<b>Value at 31 March 2020</b>	<b>1,024,968</b>	<b>-</b>	<b>1,024,968</b>	<b>1,024,968</b>	<b>2</b>	<b>1,024,970</b>
At 1 April 2019	56,021	-	56,021	56,021	-	56,021
Movements in cash	(38,417)	-	(38,417)	(38,417)	-	(38,417)
<b>At 31 March 2020</b>	<b>17,604</b>	<b>-</b>	<b>17,604</b>	<b>17,604</b>	<b>-</b>	<b>17,604</b>
<b>31 March 2020</b>	<b>1,042,572</b>	<b>-</b>	<b>1,042,572</b>	<b>1,042,572</b>	<b>2</b>	<b>1,042,574</b>
31 March 2019	1,233,812	-	1,233,812	1,233,812	2	1,233,814

All of the investments are unrestricted.

**Distribution of listed investments (Market Value)**

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>%</b>	<b>%</b>
UK fixed interest	31.8	35.1
UK equities	50.6	47.9
Overseas equities	15.9	12.5
Alternative investments	0.0	0.0
Cash	1.7	4.5
	<u>100.0</u>	<u>100.0</u>

	<b>Group</b>	
	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Historical cost of listed investments at 31 March	<u>784,545</u>	<u>613,548</u>

The shareholding in the subsidiary trading company has been valued at the nominal value of the shares, to be consistent in the valuation of private company shares. The results of the trading subsidiary are set out in Note 4.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**17. DEBTORS**

	<b>Group</b>		<b>Hospice</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts owed by subsidiary undertaking	-	-	-	23,559
Trade debtors	286,553	387,326	275,891	365,949
Prepayments	297,637	284,049	296,900	281,673
VAT Debtor	96,455	63,562	92,232	73,723
Accrued income	2,598,757	1,416,559	2,598,757	1,416,559
Other Debtor	2,898	1,312	2,900	1,312
	<b><u>3,282,300</u></b>	<b><u>2,152,808</u></b>	<b><u>3,266,680</u></b>	<b><u>2,162,775</u></b>

Accrued income includes legacy income notified but not received at year end of £1,993,053 (2019: £1,309,780). Trade debtors relate mainly to sources of statutory income and levels vary across the year depending on timing of invoicing.

**18. CREDITORS: Amounts falling due within one year**

	<b>Group</b>		<b>Hospice</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	184,295	277,921	179,667	237,520
Amounts owed to subsidiary undertaking	-	-	6,303	-
Taxation and social security costs	149,433	158,388	149,433	158,388
Deferred income	161,115	414,044	122,983	181,635
Other creditors	102,164	90,923	102,164	90,923
Accruals	134,930	234,819	130,579	133,968
	<b><u>731,937</u></b>	<b><u>1,176,095</u></b>	<b><u>691,129</u></b>	<b><u>802,434</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

Group deferred income in 2020 includes £30,000 relating to grant income received but not recognised as income in the year (2019: £177,189). The balance also includes payments made in advance by players of the lottery, and in 2019 only also included £189,333 Elmer Art Trail sponsorship paid in advance. The movement in group deferred income is as follows:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Deferred income brought forward	414,044	580,620
Payments received	669,911	1,035,989
Income recognised	<u>(922,840)</u>	<u>(1,202,565)</u>
Deferred income carried forward	<u>161,115</u>	<u>414,044</u>

## 19. PROVISIONS FOR LIABILITIES AND CHARGES

### Group and Hospice

There were no provisions made relating to liabilities during the year ended 31 March 2020.

## 20. CONTINGENT LIABILITIES

During the year ended 31 March 2014, the Hospice received from a local solicitor's firm, a distribution of dormant client funds totalling £26,971.64 which was recorded that year as part of voluntary income. This total is made up from a number of smaller amounts. Trustees consider it unlikely that any of this sum will be repayable but the Hospice has indemnified the solicitor's firm for each amount and consequently notes a contingent liability for the same total amount. No additional funds were received since.

## 21. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

<b>At March 2020</b>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	3,700,271	5,511,735	9,212,006
Fixed asset investments	1,042,572	-	1,042,572
Current assets	5,038,404	-	5,038,404
Current liabilities	<u>(731,937)</u>	<u>-</u>	<u>(731,937)</u>
<b>Total net assets</b>	<u><b>9,049,310</b></u>	<u><b>5,511,735</b></u>	<u><b>14,561,045</b></u>

Free reserves, as defined by the Charity Commission, are those general funds that are not represented by tangible fixed assets. Using this definition, the free reserves of the Charity at 31 March 2020 were £5,173,908 (2019: £4,267,469).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

<b>At March 2019</b>	<b>General Funds</b>	<b>Restricted Funds</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Tangible fixed assets	3,831,501	5,646,600	9,478,101
Fixed asset investments	1,233,812	-	1,233,812
Current assets	4,209,753	-	4,209,753
Current liabilities	(1,176,095)	-	(1,176,095)
<b>Total net assets</b>	<b><u>8,098,971</u></b>	<b><u>5,646,600</u></b>	<b><u>13,745,571</u></b>

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 22. STATEMENT OF FUNDS – GROUP (continued)

#### Statement of funds – Group - for the year ended 31<sup>st</sup> March 2020

	1 April 2019	Income	Expenditure	Transfers	Gift Aid	Loss on investments	31 March 2020
	£	£	£	£	£	£	£
<b>General funds:</b>							
Accumulated funds	<b>7,943,032</b>	11,933,502	(11,819,349)	-	889,649	(140,444)	<b>8,806,390</b>
Non-charitable trading reserve	<b>79,632</b>	1,771,037	(785,889)	-	(889,649)	-	<b>175,131</b>
<b>Designated funds:</b>	-						-
Sundry donations for specific purposes – unrestricted	<b>76,307</b>	28,899	(28,648)	(8,769)	-	-	<b>67,789</b>
<b>Total unrestricted funds</b>	<b>8,098,971</b>	<b>13,733,438</b>	<b>(12,633,886)</b>	<b>(8,769)</b>	-	<b>(140,444)</b>	<b>9,049,310</b>
<b>Restricted funds:</b>							
Adult inpatients' unit refurbishment fund	59,856	-	(54,518)	-	-	-	5,338
Barbour Foundation	1,965	-	(421)	-	-	-	1,544
Barbour Foundation 1	-	5,500	-	-	-	-	5,500
BBC Children in Need	-	34,639	(34,639)	-	-	-	-
BBC Children in Need 1	-	9,000	(8,500)	-	-	-	500
Bridget Catherine Johnson Settlement Fund	-	8000	-	-	-	-	8,000
Children's service building fund	2,203,926	-	(79,975)	-	-	-	2,123,951
Coleman fund	220,263	-	(4,613)	-	-	-	215,650
Co-op Community Fund	-	3,394	(3,394)	-	-	-	-
CSIS (via Hospice UK)	-	13,031	(13,031)	-	-	-	-
Day hospice building fund	463,191	-	(16,450)	-	-	-	446,741

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

Day services building fund	1,563,180	-	(38,097)	-	-	-	1,525,083
DOH Grant s64	-	217,985	(217,985)	-	-	-	-
Dementia UK	-	28,967	(27,747)	-	-	-	1,220
Dickon Trust	-	2,000	(2,000)	-	-	-	-
Family Room Upgrade Fund:	15,678	-	(288)	156,589	-	-	171,979
The Margaret Inness Trust	-	147,188	-	(147,188)	-	-	-
Hadrian Trust	-	1,000	-	(1,000)	-	-	-
P Smith	-	120	-	(120)	-	-	-
S MacKellar	-	1,004	-	(1,004)	-	-	-
Amos Hinton & Sons	-	9,755	-	(9,755)	-	-	-
Gosforth Masonic Lodge	-	1,000	(1,000)	-	-	-	-
Guyll Leng Trust	2,779	-	-	-	-	-	2,779
Guyll Leng Trust 1	-	3,000	-	-	-	-	3,000
Health Education England	13,690	-	(13,690)	-	-	-	-
High Sheriff Award (via Community Foundation)	-	600	(600)	-	-	-	-
Hospice Building fund	703,827	-	(28,642)	-	-	-	675,185
Information centre	77,992	-	(5,078)	-	-	-	72,914
The Legal Education Foundation	9,678	-	(9,678)	-	-	-	-
Macmillan	11	198,254	(172,081)	-	-	-	26,184
Main Kitchen upgrade	115,544	-	(12,958)	-	-	-	102,586
Daisy Marr	1,821	-	(165)	-	-	-	1,656
Masonic Charitable Foundation	-	1,700	(1,700)	-	-	-	-
Mel Weir Charitable Trust	-	2,500	(156)	-	-	-	2,344
<b>Mini Bus Fund:</b>							
The Prism Trust	-	5,000	-	(5,000)	-	-	-
QBE Foundation	-	2,500	-	(2,500)	-	-	-

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

Albert Hunt Trust	-	10,000	-	(10,000)	-	-	-
Mini Bus Fund	-	-	-	17,500	-	-	17,500
National Lottery Community Fund	-	24,705	(12,550)	-	-	-	12,155
NEPAC 1	1,110	-	(51)	-	-	-	1,059
NEPAC 2	2,000	-	(2,000)	-	-	-	-
NEPAC 3	2,000	-	(125)	-	-	-	1,875
Newcastle Building Society (via Community Foundation)	1,953	(16)	-	-	-	-	1,937
Northern Cancer Alliance	10,001	-	(10,001)	-	-	-	-
JGW Patterson 1	11,357	-	(11,357)	-	-	-	-
JGW Patterson 2	2,914	-	(2,914)	-	-	-	-
Proctor and Gamble	1,710	-	(143)	-	-	-	1,567
EP Robson	-	830	(9)	-	-	-	821
Rods and Cods	277	-	-	-	-	-	277
Rose Joicey Fund (via Community Foundation)	-	1,000	(350)	-	-	-	650
Rothley Trust	397	-	(397)	-	-	-	-
Seahouse and District Cancer Research and Relief fund	4,958	-	(500)	-	-	-	4,458
The Shears Foundation	-	50,000	(50,000)	-	-	-	-
The Sir James Knott Trust	11,310	-	(11,310)	-	-	-	-
The Social Enterprise Investment Fund	88,352	-	(44,706)	-	-	-	43,646
Angela Taylor	-	1,000	-	-	-	-	1,000
Together for Short lives	20,574	45,358	(54,321)	-	-	-	11,611
WA Handley Trust	2,600	-	(2,600)	-	-	-	-
WA Handley Trust 1	-	1,718	(14)	-	-	-	1,704
WA Handley Trust 2	-	3,282	(36)	-	-	-	3,246
WA Handley Trust 3	-	2,600	(20)	-	-	-	2,580
Young adults' service restricted fund 1	16,796	-	(13,263)	-	-	-	3,533



St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

Young adults' service restricted fund 2	6,107	-	(3,203)	-	-	-	2,904
Nurse call system (children) fund	2,881	-	(1,423)	-	-	-	1,458
<b>Nurse Call System Outpatients Fund:</b>							
Joseph Strong Trust	-	1,000	-	(1,000)	-	-	-
St Michael's Healing Home Trust	-	4,600	-	(4,600)	-	-	-
Nurse Call System (outpatients) fund	-	-	-	5,600	-	-	5,600
<b>AIU Garden Refurb Fund:</b>							
Tesco / Groundworks	855	-	(855)	-	-	-	-
Andrew Lee - Adults Garden	1,000	-	(1,000)	-	-	-	-
Graham Jennings - Adults garden lighting	6,000	-	(6,000)	-	-	-	-
Mrs Ghura	-	100,000	(100,000)	-	-	-	-
D Phillips	-	250	(250)	-	-	-	-
Rothley Trust	-	1,000	(1,000)	-	-	-	-
Mr Piper	-	20	(20)	-	-	-	-
Will Charitable Trust	-	12,000	(12,000)	-	-	-	-
Appeal (unnamed)	-	170	(170)	-	-	-	-
From Family Room Upgrade Fund	-	-	(2,478)	2,478	-	-	-
Appeal Income – transfer from designated funds	-	-	(8,769)	8,769	-	-	-
<b>Total restricted funds</b>	<b>5,646,600</b>	<b>957,623</b>	<b>(1,101,257)</b>	<b>8,769</b>	<b>-</b>	<b>-</b>	<b>5,511,735</b>
<b>Total funds</b>	<b>13,745,571</b>	<b>14,691,061</b>	<b>(13,735,143)</b>	<b>-</b>	<b>-</b>	<b>(140,444)</b>	<b>14,561,045</b>

Transfers have been made from restricted to general funds to reflect conditions met on restricted funding for capital purchases

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**22. STATEMENT OF FUNDS – GROUP (continued)**

**Statement of funds – Group - for the year ended 31<sup>st</sup> March 2019**

	1 April 2018	Income	Expenditure	Transfers	Gift Aid	Gain on investments	31 March 2019
	£	£	£	£	£	£	£
<b>General funds:</b>							
Accumulated funds	<b>7,844,783</b>	9,418,675	(10,827,220)	(10,355)	877,407	6,742	<b>7,943,032</b>
Non-charitable trading reserve	<b>190,283</b>	1,411,437	(644,681)	-	(877,407)	-	<b>79,632</b>
<b>Designated funds:</b>							-
Sundry donations for specific purposes – unrestricted	<b>123,787</b>	72,238	(119,718)	-	-	-	<b>76,307</b>
<b>Total unrestricted funds</b>	<b>8,158,853</b>	<b>10,902,350</b>	<b>(11,591,619)</b>	<b>(10,355)</b>	<b>-</b>	<b>6,742</b>	<b>8,098,971</b>
<b>Restricted funds:</b>							
Adult inpatients' unit refurbishment fund	114,374	-	(54,518)	-	-	-	59,856
Aidan Army	574	-	(574)	-	-	-	-
Albert Hunt	4,191	-	-	(4,191)	-	-	-
Barbour Foundation	-	2,000	(35)	-	-	-	1,965
BBC Children in Need	-	24,275	(24,275)	-	-	-	-
Bernard Sunley	-	5,000	-	(5,000)	-	-	-
Children's Heart Unit Fund	-	24,328	(24,328)	-	-	-	-
Children's service building fund	2,283,901	-	(79,975)	-	-	-	2,203,926
Coleman fund	224,876	-	(4,613)	-	-	-	220,263
Day hospice building fund	479,641	-	(16,450)	-	-	-	463,191
Day services building fund	1,601,276	-	(38,096)	-	-	-	1,563,180
Dept of Health Grant S64	-	199,820	(199,820)	-	-	-	-
Dementia UK	-	37,084	(37,084)	-	-	-	-

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

Dickon Trust	-	2,000	(2,000)	-	-	-	-
<b>Family Room upgrade fund</b>	19,235	-	-	(3,557)	-	-	15,678
The Finn Family Fund	866	-	(866)	-	-	-	-
Guyll Leng Trust	-	8,500	(5,721)	-	-	-	2,779
High Street Group	638	-	(638)	-	-	-	-
Health Education England	23,000	-	(9,310)	-	-	-	13,690
High Sheriff Award	-	500	(500)	-	-	-	-
Hospice Building fund	732,469	-	(28,642)	-	-	-	703,827
Information centre	83,070	-	(5,078)	-	-	-	77,992
Ali Kelly (Coty)	11,250	-	(11,250)	-	-	-	-
The Legal Education Foundation	-	54,885	(45,207)	-	-	-	9,678
DB Lowden	700	-	(700)	-	-	-	-
Macmillan	-	172,315	(172,304)	-	-	-	11
Main Kitchen upgrade fund	164,299	-	(12,958)	(35,797)	-	-	115,544
Main Kitchen upgrade - revenue fund	-	-	(35,797)	35,797	-	-	-
The Margaret Inness Trust	-	434,776	(434,776)	-	-	-	-
Daisy Marr	1,986	-	(165)	-	-	-	1,821
NEPAC 1	1,110	-	-	-	-	-	1,110
NEPAC 2	-	2,000	-	-	-	-	2,000
NEPAC 3	-	2,000	-	-	-	-	2,000
Newcastle Gatehead CCG	19,108	-	(19,108)	-	-	-	-
Northern Cancer Alliance	-	-	(9,999)	20,000	-	-	10,001
JGW Patterson 1	28,915	-	(17,559)	-	-	-	11,357
JGW Patterson 2	-	35,000	(32,086)	-	-	-	2,914
Jo Nicolls	-	375	(375)	-	-	-	-
Proctor and Gamble	-	3,700	-	(1,990)	-	-	1,710
Proctor and Gamble (company)	-	3,900	(3,900)	-	-	-	-
Rathbones	-	1,000	(1,000)	-	-	-	-

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

The Ridley Family Charity	4,000	-	(4,000)	-	-	-	-
Rods and Cods	605	-	(328)	-	-	-	277
Rothley Trust	2,097	-	(1,700)	-	-	-	397
Seahouse and District Cancer Research and Relief Fund	-	5,000	(42)	-	-	-	4,958
The Shears Foundation	37,500	-	(37,500)	-	-	-	-
The Sir James Knott Trust	-	50,000	(38,690)	-	-	-	11,310
The Social Enterprise Investment Fund	133,058	-	(44,706)	-	-	-	88,352
Together for Short lives	-	35,269	(14,695)	-	-	-	20,574
WA Handley Trust	-	2,600	-	-	-	-	2,600
Ward Kitchen Fund	-	-	(3,557)	3,557	-	-	-
Community Foundation	500	-	(500)	-	-	-	-
Young adults' service restricted fund 1	30,059	-	(13,263)	-	-	-	16,796
Young adults' service restricted fund 2	9,310	-	(3,203)	-	-	-	6,107
<b>Nurse call system in Children's Fund:</b>	-	-	-	-	-	-	-
Hadrian trust	-	1,000	-	(1,000)	-	-	-
Hedley Denton Trust	-	1,000	-	(1,000)	-	-	-
Joseph Strong Frazer	-	1,000	-	(1,000)	-	-	-
Nurse call system (children) fund	-	-	(119)	3,000	-	-	2,881
<b>Accessible Change Facility Fund:</b>	-	-	-	-	-	-	-
Rank Foundation	-	16,300	(16,300)	-	-	-	-
Proctor and Gamble	-	-	(1,990)	1,990	-	-	-
<b>Secret Garden (children's) Fund:</b>	-	-	-	-	-	-	-
Riddell Family Community First Fund	-	1,200	(1,200)	-	-	-	-
Tesco / groundworks	-	3,000	(2,145)	(855)	-	-	-
M&S	-	500	(46)	(454)	-	-	-
<b>AIU Garden Refurb Fund:</b>	-	-	-	-	-	-	-
Tesco / Groundworks	-	-	-	855	-	-	855
Andrew Lee	1,000	-	-	-	-	-	1,000

St Oswald's Hospice Limited – Company number 01166239, Registered Charity number 503386

Graham Jennings	6,000	-	-	-	-	-	6,000
<hr/>							
<b>Total restricted funds</b>	<b>6,019,608</b>	<b>1,130,327</b>	<b>(1,513,690)</b>	<b>10,355</b>	<b>-</b>	<b>-</b>	<b>5,646,600</b>
<hr/>							
<b>Total funds</b>	<b>14,178,461</b>	<b>12,665,677</b>	<b>(13,105,309)</b>	<b>-</b>	<b>-</b>	<b>6,742</b>	<b>13,745,571</b>

Transfers have been made from restricted to general funds to reflect conditions met on restricted funding for capital purchases

## **NOTES TO THE FINANCIAL STATEMENTS (continued)**

### **22. STATEMENT OF FUNDS – GROUP (continued)**

#### **General Funds**

Included with the general accumulation funds are the non-charitable trading reserves. These represent the retained profit of the trading subsidiary, St Oswald's Promotions Limited. The gross income and expenditure of the subsidiary have been shown and the transfer represents the amount of profit passed to the parent company by Gift Aid.

#### **Designated funds**

The Trustees of the Charity have decided to put aside part of the accumulated funds to meet specific future expenditure. As a general principle, these funds were given or raised with projects in mind, but their use is not restricted. The Trustees take the view that use of such funds should be designated.

#### **Restricted Funds**

##### **Adult Inpatient Unit Refurbishment Fund**

This refurbishment was carried out using funds from a grant from the Department of Health.

##### **Aidan Army**

This donation was used to purchase children's equipment.

##### **Albert Hunt Trust**

This donation was used towards the cost of new windows in the Dining Room.

##### **Barbour Foundation**

This donation was used to purchase a nurse call system in our Day Services Unit.

##### **Barbour Foundation 1**

This donation was made towards the cost of Rise & Recliner Chairs for our Day Services Unit.

##### **BBC Children in Need**

The grant was donated to fund a Family and Bereavement Practitioner (Children's Lead). The grant was renewed in 2019 for a further three years.

##### **BBC Children in Need 1**

This money was donated to fund music therapy sessions in our Children and Young Adult's unit.

##### **Bernard Sunley**

This donation was used towards the cost of new windows in the dining room.

##### **Bridget Catherine Johnson Settlement Fund**

This donation is for the purpose of funding a music therapist on the Adult Inpatient Unit.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**22. STATEMENT OF FUNDS – GROUP (continued)**

**CSIS (via hospice UK)**

This fund was used to cover the cost of a pilot of the befriending project.

**Children's Heart Unit Fund**

This donation was used to fund family support work at the Freeman Hospital.

**Children's Services Building Fund**

This reserve was established from voluntary donations during the Jigsaw Appeal to cover the costs of developing and providing a service to children with life threatening illness and their family members. Expenditure during the year relates to depreciation on the assets used by the children's service.

**Coleman Fund**

This was established through donations specifically designated for upgrading and construction work to the Hospice, including the establishment of an education centre.

**Co-op Community Fund**

This money was donated to fund a men's group in our Focus on Living Centre.

**Day Hospice Building Fund**

This was established to construct and equip a new Day Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

**Day Services Building Fund**

This fund was established to cover the cost of the construction of the Day Services Building and includes a grant of £498,455 from the Department of Health under their Dignity in Care for Older People Capital Gains Programme for Hospices; donations from the family of a patient including gift aid; and the utilisation of £675,632 of free reserves.

**Department of Health Children's Hospice Grant (£64)**

Funds are received from various sources specifically to meet the needs of the Children and Young Adults' Services. In addition to those mentioned separately we received £217,065 (2019: £199,820) from the Department of Health.

**Dementia UK**

This donation was used to fund an Admiral Nurse post.

**Dickon Trust**

This donation was used towards nurse salaries in our Children's Unit.

**Family Room Upgrade Fund**

This project fund was set up to upgrade our family room in the adult inpatient unit.

**The Finn Family Fund**

This donation was made to cover the cost of providing positive family experiences.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**22. STATEMENT OF FUNDS – GROUP (continued)**

**Gosforth Masonic Lodge**

This donation was used towards to the purchase of slings for use by our children's physiotherapists.

**Guyll Leng Charitable Trust**

This donation was used towards the cost of a music therapist in the Children and Young Adult's Unit.

**Guyll Leng Charitable Trust 1**

This money was donated to purchase televisions and brackets for use by our young adults.

**High Street Group**

This money funded a bed hoist in the Children and Young Adult's Unit.

**Health Education England**

This grant was to fund academic research into end of life care..

**High Sheriff Award**

This donation was given in recognition of work of our young volunteers and was used to help fund the Family Support Centre.

**Hospice Building Fund**

This fund comprises moneys raised for the original building of the Hospice. The figure shown represents the original money raised less accumulated depreciation on the original building cost.

**Information Centre**

This was established to construct and equip an information centre within the grounds of the main Hospice. The project was funded by a grant of £193,356 from the Community Fund, all of which was used to fund capital works. The reserve represents the original grant less accumulated depreciation.

**Ali Kelly (Coty)**

This donation was used towards the salary of a support worker in our Children's Unit.

**The Legal Education Foundation**

This funding was used for research into the legal needs of adults with life limiting conditions.

**DB Lowden**

This money was donated towards the cost of updating the garden for our Young Adults.

**Macmillan**

A transformational project across the regions 10 independent hospices seeking to explore collaborative/joint ways of working to enable greater care provision for the regions patients and families.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**22. STATEMENT OF FUNDS – GROUP (continued)**

**Main Kitchen Upgrade Fund / Revenue Fund**

The donations to this fund were used towards the cost of improving of our catering facilities (capital) and patient nutrition services (revenue).

**The Margaret Inness Trust**

This money was donated towards the running costs of Day Hospice and Bereavement Support services.

**Daisy Marr**

This donation was used to purchase two 'pea pod' chairs for our Children's Unit.

**Masonic Charitable Foundation**

This money was given towards the cost of nurses salaries in our Children's Unit.

**Mel Weir Charitable Trust**

This donation was used towards the purchase of a new washing machine for our Adult Inpatient Unit.

**Mini Bus Fund**

This income is to fund the purchase of a new mini bus for the hospice.

**National Lottery Community Fund**

This money was donated to fund a patient and family befriending project.

**NEPAC 1**

This donation was given towards the cost of clinical equipment for our Day Hospice unit.

**NEPAC 2**

This donation was used to purchase mobile laptops for the Adult Inpatient Unit.

**NEPAC 3**

This donation was given towards the cost of a specialist bath chair for the Adult Inpatient Unit.

**Newcastle Building Society (via Community Foundation)**

This donation was used for the purchase of clinical equipment.

**Northern Cancer Alliance**

Funding for clinical communications.

**JGW Patterson Foundation 1**

This donation supported an expanded kitchen project including one year's salary for a dietician.

**JGW Patterson Foundation 2**

This donation was given towards the cost of funding a Palliative Care Project.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**22. STATEMENT OF FUNDS – GROUP (continued)**

**Jo Nicholls**

This donation was used towards the cost of running the Adult Inpatient Unit.

**Proctor and Gamble**

This donation was used towards furnishing the new accessible changing facility in the Day Hospice Unit.

**Proctor and Gamble (company)**

This donation was used towards sessions in the Focus on Living Centre.

**Rathbones**

This donation was used to fund the 15<sup>th</sup> birthday party of our Children's Unit.

**The Ridley Family Charity**

This donation was used to help fund the salary of a key worker for our Lymphoedema Outreach Clinic in South East Northumberland.

**EP Robson**

This donation was used to purchase a sofa for the Children's garden room.

**Rods and Cods**

This money was donated towards the cost of fishing trips for children and young adults.

**Rose Joicey Fund**

This donation was used towards patient outings and activities.

**Rothley Trust**

This donation was used to purchase nebulisers and an Arjo Bath Chair for our Children's Hospice.

**Seahouse and District Cancer Research and Relief Fund**

This donation was used to purchase three syringe drivers for our Inpatient Unit.

**The Shears Foundation**

This donation was used to help fund three Senior Nurses in our Children's & Young Adults Service.

**The Sir James Knott Trust**

This donation was used to fund posts in the Hospices North East Collaborative project.

**The Social Enterprise Investment Fund**

A grant received towards the cost of refurbishment of the Day Hospice.

**Angela Taylor**

This donation was made towards the purchase of a Bath Seat for the Children's Unit.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**22. STATEMENT OF FUNDS – GROUP (continued)**

**Together for Short Lives**

This donation was used to pay for a young adults transition project.

**WA Handley Trust**

This donation was used to fund therapeutic activities in the Day Hospice Unit.

**WA Handley Trust 1**

This donation was used to purchase an Oska mattress.

**WA Handley Trust 2**

This donation was used to purchase a powered bath chair.

**WA Handley Trust 3**

This donation was used to purchase an infusion pump.

**Ward Kitchen Fund**

The donation to this fund were used to upgrade the ward kitchen on the Adult Inpatient unit, used by patients and their visitors.

**Young Adults Restricted fund 1**

This fund was set up to refurbish the Young Adult unit fixtures and fittings.

**Young Adults Restricted fund 2**

This fund was for new equipment for the Young Adult Unit.

**Nurse Call System in Children's Fund**

This donation was used to purchase a new nurse call system in the Children's Unit.

**Nurse Call System in Outpatients Fund**

These monies were donated towards the cost of a new nurse call system.

**Accessible Change Facility Fund**

The donations to this fund covered the cost of an installation for an accessible change facility in the Day Services building.

**Secret Garden Fund**

The donations to this fund covered the cost of creating a special garden area for use by children accessing our services.

**Adult Inpatient Garden Refurbishment Fund**

These donations were made towards the refurbishment of the Adult Inpatient Garden.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**23. LEASING COMMITMENTS**

**Operating leases**

The company's total future minimum lease payments under non-cancellable operating leases at 31 March 2019 relate to short leasehold land and buildings as set out below:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
<b>Operating leases that expire:</b>		
Within one year	431,612	435,268
Within two to five years	1,117,322	1,119,243
Over five years	335,995	429,318
	<u>1,884,929</u>	<u>1,983,830</u>

The operating leases represent leases of premises. The leases are of varying terms.

**24. CAPITAL COMMITMENTS**

There were no capital commitments outstanding at the end of the year (2019: £nil).

**25. RELATED PARTY DISCLOSURES**

The company has taken advantage of the exemption under FRS 102 not to disclose transactions with its subsidiary.

There are no other related party transactions to disclose.



**St Oswald's  
Hospice**

**0191 285 0063 | [enquiries@stoswaldsuk.org](mailto:enquiries@stoswaldsuk.org)  
[www.stoswaldsuk.org](http://www.stoswaldsuk.org)**

St Oswald's Hospice, Regent Avenue, Gosforth, Newcastle upon Tyne NE3 1EE. Reg Charity No. 503386

Issue date: Oct 2020 | Review date: Oct 2021