

REGISTERED COMPANY NUMBER: 05437976 (England and Wales)
REGISTERED CHARITY NUMBER: 1117564

SHALOM HOUSE

REPORT OF THE TRUSTEES AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2020

Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

SHALOM HOUSE

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**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The report of the trustees also incorporates a directors' report as required by company law.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of Shalom House are to establish and maintain a Palliative Care Centre, for the communal benefit of the inhabitants of Pembrokeshire, there being no such similar facility in place at present.

Shalom House is a non-profit making organisation, providing a high quality professional service for people with terminal illness (including cancer and any progressive life-limiting diseases) in an environment of tranquillity and support. The aims of Shalom House are:

- To provide day care and respite to patients and carers, ultimately to contribute to a possible reduction/prevention of acute or unplanned hospital admissions;
- To enable patients to manage their diagnosis to do the things that matter to them and to make their lives more comfortable than they would otherwise have been;
- To work in partnership with other providers of palliative care to enable adult patients to manage their condition and remain at home until end of life, should they wish.

The mission of Shalom House is:

- To provide accessible, excellent, holistic palliative care to relieve suffering, whether physical, emotional, spiritual or psychological, to all residents of Pembrokeshire diagnosed with a life-limiting illness, catering to the individual needs of clients, whatever they may be;
- To be a place of respite that offers a safe place to share all worries and let go of anxieties, albeit briefly, and to benefit from the many skills and expertise the Shalom staff has to offer. Professional staff and volunteers support both clients and their families throughout their journey, often making a real difference by providing a haven of care and nurture;
- To support relatives as they provide care to their loved ones and ultimately to support them through bereavement.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

OBJECTIVES AND ACTIVITIES

Ethos and Philosophy

- Shalom provides a place of safety.
- Shalom is never too busy to listen and care.
- Pain and suffering are not inevitable - skilled and trained staff are available to help and advise.
- Shalom is honest, open, available and confidential.
- Death is not a failure - it is a natural end point of life's winning pathway and can occur with love and dignity.
- Shalom expresses peace, which is important to every patient along with the total wellbeing of the individual and holistic care is essential.
- Shalom House provides palliative care and respite free of charge for all. Patients come to Shalom House at any time from their diagnosis and patients are referred from GP's, hospital, the community or self-referred by the patients themselves.
- Shalom is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.
- Shalom House is committed to safeguarding the welfare of patients and the staff and volunteers share in this commitment. Shalom House policies and procedures protect and provide guidelines on this assurance.

Public benefit

In setting Shalom House's objectives and aims and in planning their activities, the Trustees have given careful consideration to the Charities Commission's general guidance on public benefit. Shalom's key objectives for the year included:

- to continue to develop daytime palliative care with especial emphasis on pain and symptom control, occupational therapy, complementary therapies and input from experienced palliative care nurses, having regard to the particular and individual needs of patients;
- to increase palliative care services and their uptake by developing focus days and carer support days to provide a wider range of support to the terminally ill and their families throughout Pembrokeshire;
- to develop and promote the awareness of GP's and other health professionals to the services provided;
- to increase the range and ease of access to Shalom House services across Pembrokeshire;
- to employ appropriately experienced staff to manage and deliver the service and to develop their training portfolios;
- to establish a clear role within the Hywel Dda Health Board strategy, working in partnership with the local District General Hospital and other third sector providers;
- to work to standards set by Healthcare Inspectorate Wales (HIW);
- to increase fundraising from charitable and grant sources to support Shalom's activities and to continue to develop the hospice shops for the purpose of income and developing public awareness of the work of Shalom House.

Following lockdown due to COVID-19 in March 2020

Shalom House's objectives were supplemented following closure of the day centre due to lockdown mid March 2020:

- to maintain support to patients following lockdown due to Covid-19, whilst ensuring their safety and that of the staff;
- to obtain alternative sources of funds due to the temporary cessation of trading and fundraising activities.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Shalom House opened for service provision on 23 November 2007 after the successful adaptation of the building and gradually developed its function to offer day, respite and a palliative care service to patients and their relatives. At present, Shalom House offers a palliative day care service to between 6 and 10 patients per day, Monday to Friday. Traditional day care is offered four days a week and special interest days take place one day per week.

During the year ending 31 March 2020, Shalom House received quarterly funding from Hywel Dda Local Health Board within the provisions of a Service Level Agreement effective from April 2019. Following lockdown in March 2020, systems were put in place urgently to support patients and their families remotely at home, soon followed by home visits by our registered staff when it became clear that Shalom House staff were not needed for re-deployment by the Health Board. Other support staff were furloughed and costs reduced as much as possible.

The decision to concentrate on day care, rather than inpatient respite care, followed a turbulent period of staff shortages and limited funding in common with many others in the sector. Judith Thomas continues in the role of Business Manager. Isobel Bowen was appointed Clinical Lead in 2018 and after achieving her Level 5 qualification in Adult care is now a Registered Manager with Social Care Wales. The management team are supported by registered nurses, health care assistants (registered with Social Care Wales), an Occupational Therapist, Catering Manager/Cook, an Administrator and volunteers.

Our previous Administrator, Sarah Burns, formally retired on 31 March 2020 but continued to support us voluntarily through the early weeks of lockdown, for which she is heartily thanked. She has been replaced by Nicola Wilmott, formerly Health Care Assistant at Shalom House.

We continue to rely on a small group of volunteers who support the activities at Shalom House, working to deliver complementary therapies, helping in the kitchen and garden and offering general support to the staff. Since lockdown, volunteers have been involved in virtual meetings to keep them engaged and up to date with the strategic discussions. The Trustees and staff appreciate the commitment given by all the volunteers.

In house patient satisfaction surveys have rated the service at Shalom House 98%+ throughout the year. We continue to monitor our activities closely, responding to suggested changes where feasible and appropriate.

Links continue to be forged with the Palliative Care Consultant at Withybush General Hospital and the wider Palliative Strategic Forum for Hywel Dda. Shalom House staff attend Multi Disciplinary Team meetings at the hospital and local GP practice. Referrals from healthcare professionals especially Community Nurse Specialists continue to rise.

In November 2019 a new hospice shop in St Davids was opened building on the success of the shop in Fishguard and to promote our presence within the City community. After a positive start, hopes for an income surge onwards from the Easter holiday period were dashed by the Covid-19 lockdown.

The shops are staffed by a team of volunteers who work tirelessly to maintain image and presentation, also providing information on the work of the hospice and supporting other fundraising initiatives. We have worked hard to develop better links with the local community. This has resulted in sizeable donations and fundraising events.

Our Christmas party again held in collaboration with a local 5 star hotel was a great success. Patients were entertained by the Choir from Ysgol Dewi Sant. Support for us was apparent immediately after lockdown with sponsorship events hastily organised by the local rugby and football clubs.

SHALOM HOUSE (REGISTERED NUMBER: 05437976)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

FINANCIAL REVIEW

Financial position

The financial year was changed from July to June, to April to March with effect from 1 April 2019. Therefore figures quoted for 2019 relate to the 9 month period of July 2018 to March 2019. As comparisons are being made with the 12 month period in 2020, a percentage is provided to facilitate comparison. The main reasons for changing the year end are to co-ordinate with the Health Authority financial year and NHS staff salary review periods, thereby facilitating strategic planning in the longer term.

Total incoming resources for the year amounted to £202,548 (2019: £173,154, 9 months 2019 being 86.2% of 12 months to 2020). Resources expended amount to £262,807 (2019: £159,471, 9 months 2019 being 60.7% of 12 months 2020). The net deficit for the year before the revaluation of the investment is £60,259 (2019: £13,683 surplus). The surplus in 2019 arose due to the rephasing of the financial year end.

The net reserves at the balance sheet date are £683,270 (2019: £755,226) of unrestricted funds.

Shalom House is operating against a background of continually rising costs, especially payroll related, and increasing competition for donated and other charitable funds.

Principal funding sources

The charity's principal source of funds is through the Service Level Agreement with Hywel Dda Local Health Board. The Service Level Agreement for the year ended 31 March 2020 saw a reduction of 34% in the grant from the previous period, setting an attendance target of 1500 at a day care tariff rate. The advance of Covid-19 and ultimate lockdown on 23 March significantly impacted Shalom House's attendance figures during February and March 2020. The centre had no alternative other than to close, together with its retail operations, in mid March with consequent immediate impact on funding streams.

A grant was awarded by Pembrokeshire County Council - Enhancing Pembrokeshire Scheme, to cover 80% of a new heating and hot water system and replacement Arjo Therapy bath, supported by a smaller grant from Neyland Masonic Lodge for the bath costs.

Reserves policy

The Charity will need to expend substantial sums in future periods in order to maintain and develop its services. A formal reserves policy has been formulated whereby the sum of £150,000 has been ringfenced as a designated contingency reserve. This is broadly equivalent to 6 months operating costs and will be reviewed annually to maintain the reserve at this ratio as a minimum.

Additional reserves, which have been accumulated mainly from a substantial legacy received in 2015, are being utilised to support service delivery in the light of reductions in levels of support from statutory funds.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

FUTURE PLANS

The intention of Hywel Dda University Health Board to move to a commissioning model provides no guarantees for future funding, rendering longer term strategic planning difficult. It is envisaged that the proposed diversification of services, whilst supporting the Palliative Care Unit as a priority, will leave Shalom House well placed to tender for future funds.

A review began in February 2020 involving all Trustees and staff to consider the strategic direction of Shalom House, given the forecast increase in costs and likely reductions in income in the short to medium term. It was agreed that Shalom House should concentrate on activities to support patients to Live Well, to broaden care in the community including the development of home based end of life care to our patients, and instigate a more targeted approach to fundraising and income generation. At the same time, the main focus of Shalom House will continue to be the provision of palliative care within the day centre. A key factor will be registration with CIW as a Domiciliary Service and work began on the application which has now been lodged.

It is the intention of the Trustees, as current guardians of the legacy of Shalom House, to strive to maintain relevant and effective support services, within the framework of a planned income generation policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Shalom House is controlled by its governing document, the Memorandum and Articles of Association and is a limited company, limited by guarantee, as defined by Companies Act 2006.

Shalom House was registered with the Charities Commission on 12 January 2007. The governing documents are held at the registered office.

Recruitment and appointment of new trustees

Trustees are appointed at the Annual General Meeting. They are recruited through contact with other trustees and through charitable events.

Organisational structure

The governing body is the Board of Trustees, who are non-executive, unpaid and meet at regular intervals during the year. The day to day activities are managed by the Business Manager, also acting as Clerk to the Trustees, the Clinical Lead, registered nurses, an occupational therapist, health care assistants, a cook, an administrator and a Management Committee comprising:

Chair	Mrs E Thomas
Other Members	Mr W Preece
	Dr R Schofield
	Mr E Scott
	Mrs B Caulfield

Induction and training of new trustees

There is no formal induction or training process for trustees as the skills and knowledge of trustees varies. New trustees are provided with a description of their expected role and responsibilities, which ensures trustees are aware of their legal obligations under charity and company law. They are briefed by the Chair and Business Manager on historic and prevailing strategic issues.

All trustees give of their time freely and no remuneration or expenses were paid in the year.

**REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2020**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which Shalom House is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Risk assessment and the management of risk is a continuous process, with all areas being addressed as required. Risk management is a standing agenda item of each board meeting and features in the report provided to the board by the Business Manager prior to each meeting.

The key strategic risks facing Shalom House have been identified as Governance and Management, Reputational and Commercial. The board and its committee have been tasked with identifying and examining the major risks relevant to their area of influence. The trustees risk management strategy comprises:

- an annual review (as a minimum) of the risks Shalom House may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures and processes designed to minimise any potential impact on Shalom House, should those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

05437976 (England and Wales)

Registered Charity number

1117564

Registered office

Redwood Court
Tawe Business Village
Swansea
SA7 9LA

Trustees

Mrs H E Phippen (resigned 28/10/2019)
Mrs E Thomas Chair
Mrs B Roberts (resigned 28/10/2019)
Mr J W G Preece
Mr E P Scott
Dr R P Schofield
Mrs B M Caulfield (appointed 28/10/2019)

Independent Examiner

Stuart Harries FCA ACCA
Independent Examiner
Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

SHALOM HOUSE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2020

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on30/11/2020 and signed on its behalf by:

.....E. Thomas.....
Mrs E Thomas - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SHALOM HOUSE

Independent examiner's report to the trustees of Shalom House ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2020.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

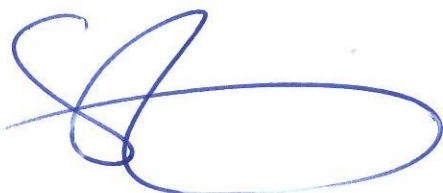
Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Stuart Harries FCA ACCA
Independent Examiner
Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

Date: 30/11/2020

SHALOM HOUSE

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2020

				Year Ended 31.3.20 Total funds £	Period 1.7.18 to 31.3.19 Total funds £
	Notes	Unrestricted funds £	Restricted fund £		
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	47,156	3,140	50,296	31,111
Charitable activities	6				
Care and respite		79,471	21,809	101,280	106,000
Other trading activities	4	50,946	-	50,946	36,043
Investment income	5	26	-	26	-
Total		177,599	24,949	202,548	173,154
EXPENDITURE ON					
Raising funds	7	29,619	-	29,619	10,283
Charitable activities	8				
Care and respite		208,239	24,949	233,188	149,188
Total		237,858	24,949	262,807	159,471
Net gains/(losses) on investments		(11,697)	-	(11,697)	3,511
NET INCOME/(EXPENDITURE)		(71,956)	-	(71,956)	17,194
RECONCILIATION OF FUNDS					
Total funds brought forward		755,226	-	755,226	738,032
TOTAL FUNDS CARRIED FORWARD		683,270	-	683,270	755,226

The notes form part of these financial statements

SHALOM HOUSE (REGISTERED NUMBER: 05437976)**BALANCE SHEET
31 MARCH 2020**

	Notes	Unrestricted funds £	Restricted fund £	2020 Total funds £	2019 Total funds £
FIXED ASSETS					
Tangible assets	16	265,856	116,965	382,821	389,857
Investments	17	306,252	-	306,252	317,949
		<u>572,108</u>	<u>116,965</u>	<u>689,073</u>	<u>707,806</u>
CURRENT ASSETS					
Debtors	18	22,004	-	22,004	4,892
Cash at bank and in hand		104,161	19,500	123,661	176,265
		<u>126,165</u>	<u>19,500</u>	<u>145,665</u>	<u>181,157</u>
CREDITORS					
Amounts falling due within one year	19	(15,003)	(22,640)	(37,643)	(16,772)
NET CURRENT ASSETS		<u>111,162</u>	<u>(3,140)</u>	<u>108,022</u>	<u>164,385</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		683,270	113,825	797,095	872,191
ACCRUALS AND DEFERRED INCOME	21	-	(113,825)	(113,825)	(116,965)
NET ASSETS		<u>683,270</u>	<u>-</u>	<u>683,270</u>	<u>755,226</u>
FUNDS	22				
Unrestricted funds:					
General fund				524,018	584,277
Fair value reserve				9,252	20,949
Designated contingency fund				150,000	150,000
				<u>683,270</u>	<u>755,226</u>
TOTAL FUNDS				<u>683,270</u>	<u>755,226</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2020 in accordance with Section 476 of the Companies Act 2006.

The notes form part of these financial statements

SHALOM HOUSE

BALANCE SHEET - continued 31 MARCH 2020

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 30/11/2020 and were signed on its behalf by:

E. M. Thomas

Mrs E Thomas - Trustee

Mr J W G Preece

Mr J W G Preece - Trustee

The notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020

1. STATUTORY INFORMATION

Shalom House is a private company, limited by guarantee without share capital, registered in England and Wales. The registered office address can be found in the report of the trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Shalom House meets the definition of a public benefit entity under FRS 102.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and voluntary income are accounted for when receivable.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Grants received in advance are deferred and recognised in future accounting periods.

Legacy gifts are recognised on a case by case basis following the granting of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

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

2. ACCOUNTING POLICIES - continued**Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Allocation and apportionment of costs

Costs are allocated between direct charitable and support expenditure according to the nature of the cost. Where items involve more than one category they are apportioned between the categories on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	- Freehold land is not depreciated
Freehold property	- 50 years straight line
Plant and machinery	- 5 years straight line
Fixtures, fittings and equipment	- 7 to 10 years straight line
Computer equipment	- 3 years straight line

Taxation

Shalom House is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes.

Fund accounting

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

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

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors

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

Creditors and provisions

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

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 MARCH 2020

2. ACCOUNTING POLICIES - continued

Cash at bank and in hand

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Financial instruments

The charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- At fair value with changes recognised in Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably;
- At cost less impairment for all other investments.

3. DONATIONS AND LEGACIES

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Donations	41,456	23,756
Legacies	5,700	5,000
Deferred income released	3,140	2,355
	<u>50,296</u>	<u>31,111</u>

Income from donations and legacies was £50,296 (2019: £31,111) of which £3,140 (2019: £2,355) was attributable to restricted funds and £47,156 (2019: £28,756) was attributable to unrestricted funds.

4. OTHER TRADING ACTIVITIES

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Fundraising events	17,530	15,721
Shop income	33,416	20,322
	<u>50,946</u>	<u>36,043</u>

Income from trading activities was wholly attributable to unrestricted funds in 2020 and 2019.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

5. INVESTMENT INCOME

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Deposit account interest	<u>26</u>	<u>-</u>

6. INCOME FROM CHARITABLE ACTIVITIES

	Year Ended 31.3.20 Care and respite £	Period 1.7.18 to 31.3.19 Total activities £
Grants	<u>101,280</u>	<u>106,000</u>

Income from charitable activities was £101,280 (2019: £106,000) of which £21,809 (2019: £nil) was attributable to restricted funds and £79,471 (2019: £106,000) was attributable to unrestricted funds.

Grants received, included in the above, are as follows:

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Hywel Dda Funding For Palliative Care Services	69,999	106,000
St Davids Hospice	8,500	-
Pembrokeshire County Council	21,809	-
HMRC Job Retention Scheme	972	-
	<u>101,280</u>	<u>106,000</u>

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

7. RAISING FUNDS

Raising donations and legacies

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Staff costs	11,702	3,681

Other trading activities

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Purchases	3,926	2,018
Shop rates	103	22
Shop insurance	724	249
Shop light and heat	2,640	563
Shop rent	9,520	3,750
Shop repairs and maintenance	137	-
Shop sundry expenses	740	-
Shop consumables	80	-
Shop bank charges	47	-
	17,917	6,602

Aggregate amounts	29,619	10,283
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8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Care and respite	189,722	43,466	233,188

£24,949 (2019: £2,355) of the above costs were attributable to restricted funds. £208,329 (2019: £157,116) of the above costs were attributable to unrestricted funds.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Staff costs	129,984	94,924
Kitchen costs	5,152	4,104
Medical supplies	324	346
Travel and subsistence	3,673	2,945
Rates and water	1,108	752
Insurance	3,730	2,550
Light and heat	4,411	3,253
Telephone	1,890	1,305
Postage and stationery	1,256	1,090
Sundry expenses	2,385	1,829
Repairs and maintenance	26,227	2,333
Cleaning	504	344
Website costs	1,370	-
Depreciation	7,708	5,953
	<u>189,722</u>	<u>121,728</u>

10. SUPPORT COSTS

	Governance costs £
Care and respite	<u>43,466</u>

Support costs, included in the above, are as follows:

Governance costs

	Year Ended 31.3.20 Care and respite £	Period 1.7.18 to 31.3.19 Total activities £
Wages	26,753	16,656
Social security	978	606
Pensions	2,504	1,601
Independent examiners remuneration	3,500	3,400
Independent examiners remuneration for other work	4,930	3,675
Rates and water	123	84
Insurance	414	283
Carried forward	<u>39,202</u>	<u>26,305</u>

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

10. SUPPORT COSTS - continued

Governance costs - continued

	Year Ended 31.3.20 Care and respite £	Period 1.7.18 to 31.3.19 Total activities £
Brought forward	39,202	26,305
Light and heat	490	361
Telephone	210	145
Postage and stationery	140	121
Sundry expenses	265	203
Repairs and maintenance	2,914	259
Cleaning	56	38
Website costs	152	-
Depreciation of tangible fixed assets	37	28
	<u>43,466</u>	<u>27,460</u>

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Examination of the financial statements	3,500	3,400
Other services	4,930	3,675
Depreciation - owned assets	<u>7,744</u>	<u>5,980</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2020 nor for the period ended 31 March 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2020 nor for the period ended 31 March 2019.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

13. STAFF COSTS

	Year Ended 31.3.20 £	Period 1.7.18 to 31.3.19 £
Wages and salaries	148,599	100,319
Social security costs	5,531	4,607
Other pension costs	17,791	12,542
	<u>171,921</u>	<u>117,468</u>

The average monthly number of employees during the year was as follows:

	Year Ended 31.3.20	Period 1.7.18 to 31.3.19
Care and respite	9	8
Administration	2	2
	<u>11</u>	<u>10</u>

No employees received emoluments in excess of £60,000.

The total employee benefits of the key management personnel of the charity were £99,419 (2019: £69,044).

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	28,756	2,355	31,111
Charitable activities			
Care and respite	106,000	-	106,000
Other trading activities	36,043	-	36,043
Total	<u>170,799</u>	<u>2,355</u>	<u>173,154</u>
EXPENDITURE ON			
Raising funds	10,283	-	10,283
Charitable activities			
Care and respite	146,833	2,355	149,188
Total	<u>157,116</u>	<u>2,355</u>	<u>159,471</u>

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
Net gains on investments	3,511	-	3,511
NET INCOME	17,194	-	17,194
RECONCILIATION OF FUNDS			
Total funds brought forward	738,032	-	738,032
TOTAL FUNDS CARRIED FORWARD	755,226	-	755,226

15. INDEPENDENT EXAMINERS REMUNERATION

	2019 £	2018 £
Examination of the financial statements	3,500	3,400
Other services	4,930	3,675
	8,430	7,075

16. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Totals £
COST					
At 1 April 2019	453,492	48,531	45,503	5,519	553,045
Additions	-	-	-	708	708
At 31 March 2020	453,492	48,531	45,503	6,227	553,753
DEPRECIATION					
At 1 April 2019	67,250	45,090	45,349	5,499	163,188
Charge for year	6,070	1,295	123	256	7,744
At 31 March 2020	73,320	46,385	45,472	5,755	170,932
NET BOOK VALUE					
At 31 March 2020	380,172	2,146	31	472	382,821
At 31 March 2019	386,242	3,441	154	20	389,857

Included in cost or valuation of land and buildings is freehold land of £150,000 (2019 - £150,000) which is not depreciated.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

16. TANGIBLE FIXED ASSETS - continued

Land and building comprise the freehold premises known as 113 Nun Street, St. Davids and occupied by the charity. They were donated by Miss Elizabeth de Guise, a local benefactress. At 16 September 1998, the property was valued at £85,000 and included in the charity's accounts. When the charity commenced activities on 1 July 2007, the premises were revalued due to the substantial amount of renovation work undertaken. Land has been valued by the Trustees at £150,000 and has not been depreciated.

The property was valued at £425,000 as at 30 June 2007, by J J Morris Chartered Surveyors on 10 December 2008. Freehold land and buildings were recognised using this valuation as a deemed cost on transition to the SORP. These assets are being depreciated from their valuation date of 30 June 2007 and have a net book value of £380,172 (2019: £386,242). The historic cost equivalent of these assets is £nil.

17. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2019	317,949
Revaluations	(11,697)
At 31 March 2020	306,252
NET BOOK VALUE	
At 31 March 2020	306,252
At 31 March 2019	317,949

There were no investment assets outside the UK.

The fair value of listed investments is determined by reference to quoted price for identical assets in an active market at the balance sheet date.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	12,638	-
Gift aid receivable	1,626	1,850
VAT	6,923	3,042
Prepayments	817	-
	22,004	4,892

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	1,947	1,160
Social security and other taxes	2,481	2,235
Pension	2,069	1,836
Attachment of earnings	15	-
Accrued expenses	8,491	8,401
Deferred government grants	3,140	3,140
Deferred grants	19,500	-
	<u>37,643</u>	<u>16,772</u>

20. LEASING AGREEMENTS

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

	2020	2019
	£	£
Within one year	14,600	5,000
Between one and five years	9,600	-
	<u>24,200</u>	<u>5,000</u>

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £24,200 (2019: £5,000).

21. ACCRUALS AND DEFERRED INCOME

	2020	2019
	£	£
Deferred government grants	<u>113,825</u>	<u>116,965</u>

Deferred government grants are grants awarded for the purpose of renovating the charities premises. These grants have been treated as deferred income, and amortised over the life of the corresponding assets.

Deferred income consists of income and other grants received. Grants and other income for specific expenditure such as assets will be released over the useful life of the corresponding asset.

Deferred income in respect of the charity's core costs will be released when the expenditure has been incurred.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

22. MOVEMENT IN FUNDS

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	584,277	(60,259)	524,018
Fair value reserve	20,949	(11,697)	9,252
Designated contingency fund	150,000	-	150,000
	<u>755,226</u>	<u>(71,956)</u>	<u>683,270</u>
TOTAL FUNDS	<u>755,226</u>	<u>(71,956)</u>	<u>683,270</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	177,599	(237,858)	-	(60,259)
Fair value reserve	-	-	(11,697)	(11,697)
	<u>177,599</u>	<u>(237,858)</u>	<u>(11,697)</u>	<u>(71,956)</u>
Restricted funds				
Care and respite	24,949	(24,949)	-	-
	<u>24,949</u>	<u>(24,949)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>202,548</u>	<u>(262,807)</u>	<u>(11,697)</u>	<u>(71,956)</u>

Comparatives for movement in funds

	At 1.7.18 £	Net movement in funds £	Transfers between funds £	At 31.3.19 £
Unrestricted funds				
General fund	720,594	13,683	(150,000)	584,277
Fair value reserve	17,438	3,511	-	20,949
Designated contingency fund	-	-	150,000	150,000
	<u>738,032</u>	<u>17,194</u>	<u>-</u>	<u>755,226</u>
TOTAL FUNDS	<u>738,032</u>	<u>17,194</u>	<u>-</u>	<u>755,226</u>

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2020

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	170,799	(157,116)	-	13,683
Fair value reserve	-	-	3,511	3,511
	<u>170,799</u>	<u>(157,116)</u>	<u>3,511</u>	<u>17,194</u>
Restricted funds				
Care and respite	2,355	(2,355)	-	-
	<u>2,355</u>	<u>(2,355)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>173,154</u>	<u>(159,471)</u>	<u>3,511</u>	<u>17,194</u>

23. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension costs charge represents contributions payable by the charity to those funds and amounted to £17,791 (2019: £12,542).

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2020.

25. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of trustees.