

Company number: 01511841

Charity Number: 280919

St Helena Hospice Limited

Report and financial statements

For the year ended 31 March 2021

St Helena Hospice Limited
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For the year ended 31 March 2021

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St Helena Hospice Limited
Reference and administrative information
For the year ended 31 March 2021

Company number	01511841
Charity number	280919
Registered office	Myland Hall, Barncroft Close, Highwoods, Colchester, Essex, CO4 9JU
Country of registration	England
Country of incorporation	United Kingdom
President	Bishop Roger Morris
Vice Presidents	Prof Peter Vergo Peter Glossop Dr Elizabeth Hall MBE Christopher Pertwee DL

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

Prof Nigel Pye	Chairman, Chair of Remuneration Committee
John Hawkins	Vice Chairman, Chair of Corporate Governance and Risk Committee
Catherine Bhuiya	Treasurer, Chair of Finance Committee
Roger Sirman	Treasurer, Chair of Finance Committee Retired November 2020
Dr Frances Hyde	Chair of Income Committee
Ken Aldred	Co-Chair of Patient and Family Services Committee
Dr Mary Northrop	Co-Chair of Patient and Family Services Committee
Andrew Dickerson	
David Cresswell	
Tracey Dickens	
Juliette Maxam	
Dr David Milne	
Catherine Morgan	Appointed November 2020
Ken Rolls	

Key management personnel	Mark Jarman-Howe	Chief Executive
	Lisa Parish	Director of Care
	Dr Emma Tempest	Medical Director
	Alison Lanchester	Director of Fundraising & Marketing
	Hayley Joshua	Director of Human Resources
	Brian Bolt	Finance & Commercial Director

Bankers NatWest
25 High Street, Colchester, Essex, CO1 1DG

Solicitors	Birkett Long LLP, 1 Amphora Place, Sheepen Road, Colchester Essex, CO3 3WG Fisher Jones Greenwood LLP, Charter Court, Newcomen Way, Colchester, Essex, CO4 9YA
Investment Managers	Rathbone Brothers PLC 8 Finsbury Circus, London, EC2M 7AZ
Auditor	Sayer Vincent LLP Chartered Accountants and Statutory Auditor Invicta House, 108-114 Golden Lane London, EC1Y 0TL
Website	www.sthelenahospice.org.uk

The trustees present their report and the audited financial statements for the year ended 31 March 2021.

Reference and administrative information set out on pages 1 and 2 form part of this report. The financial statements comply with current statutory requirements, the articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

Purposes and aims

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

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

The purposes of the charity as set out in its articles of association (2015) are “to promote the relief of illness and suffering in such ways as the company from time to time thinks fit in Essex and adjacent areas and in particular (but without prejudice to the generality whether geographical or otherwise of such object):

- (a) By establishing, maintaining and conducting residential, inpatient, outpatient, outreach and community based care for any persons of either sex (without regard to race or creed or sexual orientation) who are suffering (at any age) from any chronic or terminal illness or from any disability or disease attributable to old age or from any other physical or mental infirmity, disability or disease.
- (b) By conducting or promoting or encouraging research into the care and treatment of persons suffering from any such illness, disability, disease or infirmity as aforesaid and by providing for the dissemination of the results of such research.
- (c) By promoting and encouraging or assisting in the teaching or training of any health or social care professionals or other persons engaged in any branch of medicine, surgery, nursing or allied services, or social or personal care, and in the teaching or training of students in any branch of medicine, surgery, nursing or allied services, or social or personal care.
- (d) By providing or assisting or encouraging spiritual help and guidance for any persons under our care.
- (e) By promoting and providing family support and bereavement care services for those affected by illness, suffering and death.
- (f) Through community engagement, volunteering, and generating its own resources and funding to ensure that it retains its independence in setting and pursuing its priorities and fulfilling its objects.”

The statement of purpose for the charity is:

Helping local people face incurable illness and bereavement.

The organisational values of the charity are to:

- Be passionate about hospice care
- Value conversations
- Show appreciation for all
- Respect
- Work together

The charity provides a wide range of expert care and support for people with an incurable illness from the point of diagnosis and regardless of condition. It also supports families, including children, both pre- and post-bereavement. All services in this period were free for users and available for eligible people living in Colchester, Tendring and the Colne Valley area of Mid Essex.

The charity receives an annual grant from NHS North East Essex Clinical Commissioning Group (CCG), that currently equates to approximately 40% of total cost of its charitable activities.

The charity takes a local leadership role regarding the provision of education and training in communication skills, palliative and end of life care and local strategic leadership via Alliance and End of Life Board.

Service delivery is organised around the 24/7 SinglePoint palliative care coordination centre. This is a one-stop point of referral into all the charity's services and provides telephone advice and support for patients, their families, and professionals. SinglePoint coordinates end of life care services across local providers including GPs, district nursing, the acute hospital, out of hours services and the ambulance service. It includes a rapid response nurse visiting service for patients in the community in the last three months in crisis. It also coordinates the My Care Choices Register, a means of capturing and sharing the wishes of people in the last year of life.

The charity has a large community nursing team of specialists that manage a caseload of patients in the local community in their home or care home. An 18-bed inpatient unit provides specialist palliative care and end of life care. It should be noted that capacity was increased from 16 to 18 beds during the initial response to Covid, however due to the need to safely accommodate Covid-positive and Covid-negative patients the effective capacity for much of the reporting period was 11.

The charity has two centres for day therapies – one in Colchester, co-located with The Hospice, and one at the charity's Tendring Centre in Clacton. The Tendring Centre closed in early 2020 and will not resume as a base for the provision of day therapies. The Joan Tomkins Centre in Colchester was used as additional Covid-secure clinical meeting and office space during the last year as day therapies were put on hold during the response to the pandemic. It will re-open as a site for the St Helena Compassionate Community programme in late 2021.

In addition to these services, the charity has a complementary therapy team, a rehabilitation team, chaplaincy team and a bereavement service accessible to all and not just those previously known to the charity.

The specialist palliative care medical team of the charity works in an integrated way with the hospital palliative care service and provides an on-call service.

The charity generates most of its income through voluntary and charitable means including:

- Fundraising through community events, challenges, appeals, corporate and major donors, and individual giving.
- Retailing through a network of charity shops, online and via the trading subsidiary's activities.
- Operating the Your Hospice Lottery and the 'make a smile lottery', both partnership lottery models that involve working with other hospices and good causes from across the country.
- Submitting bids for specific funding from charitable trusts, the Department of Health and other funders.
- Building support with the local community to fund specific services.
- Gifts in wills.

The charity also generates income from its investment portfolio and temporary surplus cash balances.

The charity is a partner in the Hospice Quality Partnership and procures via available national frameworks organised by this venture or alternatively will conduct tenders for local services. The trustees and executive team review support service and management structures and arrangements regularly.

The charity makes use of a social investment loan from Big Issue Invest to continue to grow its lottery businesses.

During the year, 101 people began volunteering for the charity, at the year-end there were 795 volunteers generously giving their time free. Volunteers support all aspects of the charity from delivering care and support (e.g. complementary therapists, bereavement visitors and hosts/hostesses), enhancing business support services (e.g. maintenance roles, receptionists and gardeners) and supporting income generation (e.g. event marshals, retail volunteers and ambassadors). The ability of many of our volunteers to be actively supportive during the year was significantly impacted because of the COVID19 pandemic lockdown, particularly so in our shops.

Strategic Report

Achievements and performance, and beneficiaries of our services

2020/21 was dominated by the reprioritisation and reorganisation of the charity's services to ensure continuation of sustainable and responsive help to local people facing incurable illness and bereavement during the pandemic.

Response to Covid-19

In March 2020 the charity agreed with the Suffolk and North East Essex Integrated Care System to take on a leadership and coordination role for all end of life care delivered outside of hospital in North East Essex during the pandemic.

The charity coordinated the community end of life response on behalf of the North East Essex Health and Wellbeing Alliance, creating a hub and spoke model. Non-urgent hospice visiting ceased and community specialist nurses, rehabilitation and family support teams joined the SinglePoint team to create an enhanced community rapid response hub. Continuing health care funding resources were allocated through the hub, and local voluntary services coordinated relief services for those on the palliative care register. The charity created a 24-hour non-medical prescriber rapid response service in partnership with Anglian Community Enterprise to enhance overnight nursing capability and offered bereavement services across the community.

The charity also created integrated spoke teams with weekly virtual meetings between primary care, community nursing and the hospice, and developed a single caseload between the providers to enhance care coordination.

The My Care Choices electronic palliative care coordination system was changed to capture advance care planning discussions about COVID and access gained to it for care home staff. The clinical team rewrote anticipatory prescribing guidance, verification of death procedures, created patient group directives, wrote policies to allow hospice medications to be taken into the community for urgent visits and supported carers to learn to administer subcutaneous medication. The Hospice inpatient unit was increased by 2 beds and virtual ward capacity doubled through a collaboration with a local care provider. Community hospital and hospice beds were merged into an integrated community bed base. Education activity included delivery to colleagues across the community about symptom control and advance care planning.

Total care and support

	2018/19	2019/20	2020/21
People supported	3,873	3,969	3,909
Total contacts	45,186	44,827	42,139

The Hospice

	2018/19	2019/20	2020/21
Number of admissions	356	323	325

SinglePoint (local End of Life Care Hub)

	2018/19	2019/20	2020/21
Number of people supported	2,135	2,239	2,877
Number of cases	14,517	15,366	20,744

Bereavement Team

	2018/19	2019/20	2020/21
Number of people seen	1,100	706	833
Number of contacts	6,445	4,173	6,585

My Care Choices Register

The number of local people on the My Care Choices register (the electronic palliative care coordination system in North East Essex) has continued to increase. Those on the register when they die have a much greater chance of dying in their preferred place of care and out of hospital than those not on the register. At the end of March 2021, the total number of people active on the register was 4,205 compared to 3,772 at the same point in 2019/20. St Helena works closely with partners in the North East Essex Health and Wellbeing Alliance to raise awareness of the register and to encourage people to plan ahead for their future care choices if they are living with incurable illness, dementia or frailty.

Key reflections on activity trends in 2020/21

The activity data for St Helena overall clearly illustrates the shift to a more reactive model of care. There were similar numbers of people being supported last year compared to pre-pandemic but with less contacts and less time under the charity's care than previously.

SinglePoint activity increased, as expected with the move to the End of Life Care Hub model and is accounting for an increasing proportion of the charity's overall care. This is becoming by some margin the single most impactful service in terms of numbers of people supported.

The charity will monitor whether the above trends continue. Potentially the charity is seeing the result of a move to a leaner and more effective care model, but it may be that there is unmet need resulting from the more focused new service model.

Inpatient activity has held up surprisingly well despite considerable disruption to normal working due to Covid and waiting times have fallen despite effectively operating with less beds due to Covid infection prevention and control restrictions.

Bereavement demand has increased compared to the previous year. Waiting times have reduced during the pandemic thanks to additional funding and the move to a telephone and online model of care.

Service user feedback

Feedback from service users is very important to the charity. During 2020/21, the charity received an overall rating of 5 out of 5 stars on iWantGreatCare.

Financial review

2020–21 was, from all perspectives including financial, a very difficult and challenging year. We began the year just as the country entered the first national lockdown in the face of the Covid-19 pandemic. The first lockdown and the further two that followed later in the year had a huge impact on our income generation activities. Retail was particularly hard hit as all our shops had to be closed for extended periods of time. The restrictions on social contact also meant that much of our lottery recruitment and fundraising activity had to be curtailed, impacting the income raised from both these sources. The shortfall in fundraising income was largely offset by a successful emergency appeal and we were able to apply for financial support from the various government support programmes including the furlough scheme and small retail business grants. We worked closely with our local NHS CCG, restructuring and extending our clinical services to be better able to support the national effort in handling the impact of the pandemic, for which we received additional one-off funding during the year. We also received significant additional NHS funding via a national arrangement for hospices brokered between NHS England (NHSE) and Hospice UK under two support packages. The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose. Without this additional funding from NHSE and our local CCG our finances would have suffered a significant deterioration and our ability to provide the ongoing support to the local NHS would have been very challenging. As a result of these support packages, we have come through the year in a healthy financial position.

The outcome for the year was a total spend of £16,147k (up from £15,380k the year before) against total income of £17,037k, producing a net surplus of £890k before unrealised investment gains. This comprised an unrestricted operational surplus of £813k and a surplus on restricted funds of £77k. This surplus was achieved in large part as a result of the £3,999k one-off covid-19 support funding received during the year, see more below. The restricted surplus is due to cash received for specific initiatives with spend to be incurred on those initiatives in future years.

Net investment gains, excluded from the above figures, were £652k, being all unrealised gains (based on market prices as at 31 March 2021) following the recovery in world investment markets after the significant falls in the previous year when we recorded an £850k unrealised investment loss.

Income came from our usual income streams, the main ones being NHS (£3,555k), legacies (£1,117k), donations (£983k), fundraising (£539k), lottery (gross income of £4,692k, with a surplus of £1,507k after direct and overhead costs and an income share paid to other charity partners of £1,734k) and from investments (£174k). Retail suffered a loss (£974k after direct and overhead costs) following the enforced closure of all our shops for extended periods during the year. Gross retail income was £1,624k, down from £3,071k the previous year.

In addition to the above, during the year we received £3,999k of one-off pandemic support funding, the main elements of which were Hospice UK/ NHS England (£2,048k), additional North East Essex CCG funding (£1,147k), government employee furlough funding (£552k) and retail small business grant funding (£218k). This funding was instrumental in enabling us to reshape and increase our patient support expenditure to continue supporting our patients and to assist with the wider pandemic response.

Spend was on charitable activities (£11,212k including the income share paid to other charity lottery partners of £1,734k, (2020-£10,117k) and on raising funds (£4,935k, 2020-£5,263k), the latter allowing the above trading surpluses to be achieved. Charitable activities spend included inpatients (£4,089k), community care (£4,188k), therapies and well-being (£1,068k) and education and research (£133k).

Investment holdings at year-end were £4,823k (2020: £4,171k), split between equities and bonds held within charity specific funds. This is significantly above last year's level as a result of the unrealised gains arising following the recovery in market values during the year. No investments were disposed of during the year.

The general policy on reserves is to maintain a level of free reserves between £3.3m and £4.9m, creating a balance between sustainability and avoidance of keeping excessive levels which would be at the expense of service spend. Free reserves at 31 March 2021 equated to £6.8m and is largely as a result of the pandemic support funding we received during the year. Although this is above our target range, we are now entering a year where we anticipate income will be challenged and where the same level of additional funding that we received through the pandemic is unlikely to be available to us. We therefore believe that the reserves currently held will enable us to efficiently manage this expected drop in income, returning our reserves to within our policy guidelines.

During the year, service plans and priorities and operational financial performance were kept under constant and regular review by the trustees and senior management team to ensure that we continued to provide the services our patients required whilst supporting the wider effort to deal with the effects of the pandemic. This scrutiny helped to maintain an effective financial balance and confidence that it is sustainable.

We now look forward to what is likely to be another challenging year as we rebuild our income generation activities with the worst of the pandemic hopefully now behind us. We do not anticipate there will be any further direct hospice financial support from NHSE however we are in a strong financial position to respond to the challenges of the year ahead and to continue to deliver our much needed services.

Principal risks and uncertainties

The trustees have a risk management strategy that comprises:

- Maintaining a risk register covering all parts of the organisation.
- Regular reviews of the risks the charity may face.
- Establishment of systems and procedures to mitigate risks identified in the plan.
- Maintaining adequate insurance cover.

The charity manages major risks as follows:

- Insufficient funding to run the charity.

The charity maintains and develops a diverse range of income sources to spread the risk of shortfalls of income and over dependency on any one source. The two largest income streams are

funding from the NHS under a grant agreement and legacies, which by their nature are unpredictable and volatile. The charity maintains a level of reserves to enable it to cope with short-term fluctuations in income levels.

NHS North East Essex CCG have extended their grant agreement with the charity to the end of March 2023. The charity is an active partner in the North East Essex Health and Wellbeing Alliance, one of three alliances in the Suffolk and North East Essex Sustainability and Transformation Partnership.

- Not understanding the expectations and needs of our community.

The charity engages with a diverse range of community and provider groups to ensure that it is aware of need gaps and changes. It also regularly seeks the opinion of service users as to the effectiveness and quality of the services it delivers.

- Insufficient skilled staff.

The charity offers competitive pay and conditions to attract high quality staff as well as extensive staff training and development support. The charity monitors key workforce metrics regularly and offers exit interviews to all staff who leave the organisation.

- Infrastructure not fit for purpose.

The charity maintains all premises to a high standard with a dedicated estates management team and a rolling maintenance programme. The estates team monitor and manage the safety and security of all premises. The charity regularly reviews the suitability of its estate to ensure it is adequate and fit for purpose.

- Diminished quality of services provided.

The Care Quality Commission (CQC) regulate all clinical and care services provided by the charity. The Clinical Governance Committee monitors clinical policies and practice. The Patient and Family Services Committee monitors medical and clinical activity.

- Damaged reputation.

The Trustee Board and management team work closely together in policy setting and monitoring to ensure that the charity is working to the highest standards. The Corporate Governance and Risk Committee oversees risk management corporately while the Clinical Governance Committee manage clinical risks. There is dedicated specialist resource managing public relations and communications, data and cyber security, health and safety, and patient safety. The Income Committee monitors fundraising practices in the light of recommendations made by charity sector fundraising practice reviews.

There has been no significant change in the risk profile of the charity.

Fundraising practices

Our supporters and donors are very important to us and it is their support that enables us to do what we do to help the people of North Essex at a very difficult time in their lives. We aim to ensure that all our fundraising activities are carried out in accordance with best fundraising practice and our supporters and wider public are treated fairly and with respect.

Fundraising standards

The charity voluntarily registered with the Fundraising Regulator and works within the Code of Fundraising Practice. Our lottery is regulated by the Gambling Commission and we adhere to the Conditions of Practice as set out by the Gambling commission.

Working with third party fundraisers

So that we can engage with as many potential supporters as possible, our staff talk with members of the public both on the telephone and in person. We do work with external organisations who have specific expertise in this area. All such arrangements are under robust contracts which specify that the activities must be carried out by suitably trained staff and in accordance with applicable laws and codes such as the Fundraising Regulator's Code of Fundraising Practice and data protection laws. We expect these organisations to reflect our values when working on our behalf. In addition to this and as part of our compliance with the Gambling Commission we have a series of interventions in place to ensure that the work being carried out is to the highest possible standards. This includes but is not limited to spot checking of new supporters who sign up in support of the organisation. All spot checking is logged and narratives kept of each communication with a particular supporter.

Complaints

During the year 41 (2020–6) complaints relating to our fundraising were received, all of which have been resolved. We view complaints and supporter feedback as important information about the impact on our supporters and an opportunity to learn about and improve our practice.

Protecting vulnerable people

St Helena Fundraisers are aware of the Code of Practice and in particular, the importance of protecting vulnerable people (and others) from unreasonable intrusion on privacy, unreasonably persistent approaches or undue pressure to give. Our lottery operation has a responsible gambling policy in place which identifies the actions taken to protect the most vulnerable in society. This is also covered in the training that every member of the lottery team has when they join the organisation.

Investment policy

The charity works closely with its fund managers to ensure its investment portfolio is responsibly managed. Responsible investment is considered to be the purposeful integration of environmental, social and corporate governance (ESG) considerations into investment management processes and ownership practices, and, have adopted the following non-exhaustive definitions of the underlying components of ESG:

- 1 – environmental: issues relating to the quality and functioning of the natural environment
- 2 – social: issues relating to the rights, well-being and interests of people and communities
- 3 – governance: issues relating to corporate governance and corporate behaviour

In addition to applying the above general principles the charity will hold no direct investment in companies whose main source of revenues and profits is derived from tobacco.

The Charity seeks to produce the best possible financial return within an acceptable level of risk, which is classified as a level 4 by their professional investment managers (with level 1 being the lowest risk level and 6 being the highest).

The investment objective is to generate a total return of CPI plus 3% per annum over the long-term, net of all fees.

The Charity adopts a total return approach to investment, generating the investment return from income and capital gains or losses. It is expected that, in the long term, the real value of the portfolio will be maintained in accordance with the investment objective above.

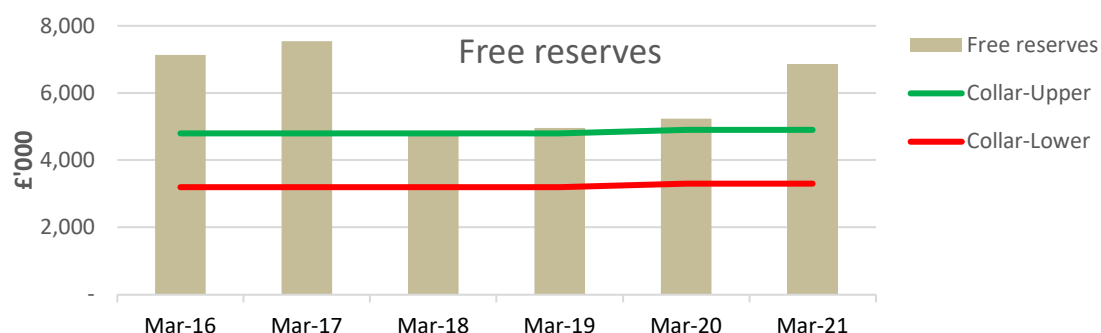
Reserves policy and going concern

The charity needs financial resources to achieve its purposes and must plan for the longer term to ensure continuity of its services to patients.

The trustees regularly monitor the reserves policy and the level of reserves required having regard to the following:

- The charity forecasts of expenditure based on planned activity and the analysis of future needs.
- The reliability and volatility of income.
- Funds required for replacing assets.
- The need to cover contingencies and the ability to be able to respond to unexpected events or opportunities.

The trustees utilise a risk-based approach for assessing the appropriate level of free reserves (fair value and general reserves). The policy is based on an assessment of the volatility and certainty of each of the organisation's main income streams; a potential need for unplanned or unexpected expenditure; and, the requirement to maintain sufficient working capital to ensure the continuing smooth running of the charity. This assessment produced figures of £1.7m for income volatility and uncertainty, £0.6m for unplanned or unexpected expenditure and £1.8m for working capital requirements, giving £4.1m in total. The trustees consider that it would be appropriate in normal times to maintain free reserves within a range of plus or minus 20% of this figure, giving a free reserves range of £3.3m to £4.9m. Free reserves at 31 March 2021 stood at £6.8m. While this is above the upper target range, the year was far from normal and the higher reserves figure reflects the additional financial support that the charity received during the year from both NHSE and our local CCG. This level of support is not expected to be repeated in 2021-22, which we anticipate will be another challenging year.



The trustees have considered the financial position of the charity, its investment portfolio, its reserves, as well as its cash flow and liquid resources and they believe the charity is able to manage its business risks successfully.

There are no material uncertainties that may cast doubt on the charity's ability to continue as a going concern. The trustees have a reasonable expectation that it has adequate resources to continue in operational existence for the near future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Plans for the future

The charity updated its strategic priorities during 2020.

Principles

St Helena wants people living in North East Essex to achieve the outcomes that matter most to them and their families toward the end of their lives.

St Helena believes the best way to achieve this is through engagement with its local community, and partnerships with other organisations wanting to improve health and wellbeing. It will maintain its expertise in specialist palliative care and end of life care.

St. Helena will work within annual budgets and annually reviewed risk-based levels of reserves, set by the Board of Trustees.

Service objectives

St Helena, acting within the framework of North East Essex Health & Wellbeing Alliance, will be the coordinating hub for all non-hospital palliative and end of life care (EOLC) and related bereavement services, in North East Essex (NEE). This is currently managed through SinglePoint.

EOLC will be provided based on a population approach and St Helena will strive to ensure all those who need to be, are registered on the My Care Choices Register (MCCR). St Helena will seek to address the imbalance in the take up of its services through greater engagement with the local community and relevant local healthcare providers.

Whilst St Helena provides an In-Patient Unit (IPU) for those who need it, the aim is to support as many people as possible in their Preferred Place of Care (PPC) or normal residence (e.g. home or care home) through the provision of such services as the virtual ward and community nursing working with local GP providers and other health and care organisations.

As part of the population approach to care, St Helena will provide, and work with others to provide, holistic care for patients and their families. In this provision, St Helena will coordinate and quality assure the services and, where necessary, maintain an in-house capability to ensure its patients in most need will always have access to the specialist palliative care they need.

St Helena will work in collaboration with other hospices and Alliance partners to provide education on palliative and end of life care to meet the care needs of the population of North East Essex.

Funding objectives

St Helena recognises the current issues with mass-participation events and will seek novel ways of re-engaging with its supporters and donor base.

St Helena will develop its lottery-based offering and seek other innovative funding models which will be considered and utilised if appropriate, including social investment. St Helena will seek to invest in providing paid-for services related to its charitable purpose e.g. domiciliary care or natural burial grounds.

Whilst recognising and building on the growing success of its on-line business, St Helena will continue to maintain a presence on the High Street for the foreseeable future. It will make its retail shops COVID19 compliant and will keep the viability of individual shops under review.

Building on the success of its emergency appeal during the COVID19 crisis, St Helena will actively promote general charitable gifts and donations from local people and businesses. St Helena will continue to encourage the making of legacies (whilst over time reducing its dependence on this income line) and seek significant personal donors.

Recognising the benefits of collaboration on operations during the recent COVID19 crisis, St Helena will be open to the possibilities of joint fund raising opportunities with other suitable charities. There may also be opportunities to share back office services to reduce costs.

Governance objective

St Helena has a reputation for excellence in the care it provides. It will continue to improve and has set itself the goal of being judged 'Outstanding' in the next round of CQC inspections. It will also always aim to achieve an unqualified audit and no material concerns from other relevant regulators (i.e. Gambling Commission and Fundraising Regulator).

Accountability objective

St Helena will examine how it can make itself more accountable to key stakeholders, funders and donors and to the public it serves and implement the changes needed to bring this about.

Structure, governance and management

The organisation is a charitable company limited by guarantee, incorporated on 11 August 1980, and registered as a charity on 22 October 1980.

The articles of association govern the charity and set out its charitable objects and powers.

All trustees give their time voluntarily and receive no benefits from the charity. Any expenses reclaimed from the charity are set out in note 9 to the accounts.

The Board of Trustees governs the charity through its committee structure and contributes to decisions regarding the appointment of senior staff, and those impacting on budgets and the allocation of resources. Trustees appoint from among their number a Chair, Vice Chair, Treasurer and Chairs of Committees. The Chair of the Board serves a maximum of two three-year terms. The Board is aware that a number of Trustees have served long terms of office. While this brings with it benefits, good governance requires that board membership is regularly monitored and opportunities to diversify and refresh skills are explored. The Board therefore intends to ensure that the composition of the Board is kept under review, having regard both to its skill needs and its desire to have a Board which represents the population it serves.

The committees are:

- Corporate Governance and Risk
- Finance and Performance
- Income
- Patient and Family Services
- Remuneration

The trustees delegate general management of the charity through the Chief Executive, to the senior management team as set out in an Instrument of Government. Page 1 shows the senior management team for the charity for the reporting period.

The charity currently has one active wholly owned subsidiary, St Helena Hospice Trading Limited, for the purposes of trading new goods and gift aid maximisation. The directors of the subsidiary are the Chief Executive and Finance & Commercial Director from within the charity senior management team.

Appointment of trustees

The Board elects or co-opts all trustees from amongst the members of the company. One third of all trustees of the charity are then subject to re-confirmation by members of the company at each annual general meeting.

All trustee vacancies are advertised externally and appointments made via a standardised recruitment and selection process.

Trustee induction and training

All new trustees of the charity meet with the Chair of the Board and Chief Executive and have a tour of the hospice. Trustees can attend all Committees.

The Chair provides all trustees with The Twenty-Minute Guide to being a Hospice Trustee and a St Helena Hospice Handbook for Trustees containing all key information about the organisation. In addition, trustees would normally receive safeguarding and general trustee training.

Related parties and relationships with other organisations

The charity is the sole adult hospice and lead provider for community end of life care in North East Essex.

The charity is a shareholder in the Hospice Quality Partnership, a trading company wholly owned by hospices established to maximise value for hospice care through collaborative procurement and income generation.

Remuneration policy for key management personnel

The Remuneration Committee, which consists of the Chair, Vice Chair and Treasurer, has delegated responsibility from the Board for pay and remuneration of the senior management team. An external agency undertakes benchmarking of salaries with reference to hospice, public, charity and private sectors. The agreed pay policy for senior employees is to aim for salaries and rewards within the range of lower to middle quartile for the relevant role and only in exceptional circumstances to be in the upper quartile.

Policy for employment of disabled persons

The charity is an equal opportunities employer and committed to a policy of treating all employees and job applicants equally. The aim is for a workforce that will be truly representative of all sections of society, in which all employees feel respected and able to give their best.

It is the policy of the charity to provide equality and fairness for all. This includes taking all reasonable steps to employ and promote employees based on their abilities and qualifications without regard to race, colour, nationality, ethnic or national origin, religion or belief, disability, trade union membership or non-membership, sex, pregnancy/maternity, gender reassignment, sexual orientation, married or civil partnership status, age, or being a part-time or fixed term worker. It opposes all forms of unlawful and unfair discrimination.

The charity strives to prevent unfair treatment by operating fair, objective and systematic procedures including:

- Good communications.

- Recruitment, selection, promotion, transfer and leaving.
- Managing individuals' performance, training, development and careers.
- Access to support system.
- Individual grievances, discipline.
- Ensuring the fair treatment and dignity of employees at work and making sure our workplaces are free from harassment, victimisation and bullying.

The charity treats everyone with dignity and respect and is committed to creating a work environment free of harassment and bullying.

Employee information

As at 31 March 2021 there was 303 staff employed (152 full-time and 151 part-time) excluding bank and sessional employees.

The charity regularly monitors sickness absence, vacancy rates and turnover and continues to perform favourably with NHS and charity sector comparators. In 2020/21, the charity had an average rate of sickness absence of 2.0% and an average turnover rate per month was 1.1%.

The charity evaluates all job descriptions and salaries for all roles externally and uses external benchmarks to ensure that pay policy is consistent and competitive. Pay policy is for salaries to be in the range between the lower and middle quartile for the relevant role and only in exceptional circumstances to be in the upper quartile.

The charity has an employee forum with representatives from across the organisation chosen by employees. It has an Organisational Change Policy that sets out the consultation arrangements used when proposals might affect employment or terms and conditions.

Internal communications with employees include internal communication emails, regular team meetings, a quarterly Chief Executive briefing open to all employees and volunteers, and a quarterly newsletter. The charity ensures information is provided to employees on matters of concern to them including financial and operational performance, changes in the operating environment and new developments or activities.

Annual appraisals for all staff in the charity include organisational objectives to encourage individual employees to contribute to the overall charity performance and success.

Statement of responsibilities of the trustees

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

Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping adequate 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 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.
- 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31st March 2020 was 61 (2020:67). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

The auditor during the year was Sayer Vincent LLP and they have expressed their willingness to continue in that capacity.

The trustees' annual report which includes the strategic report has been approved by the trustees on 5 August 2021 and signed on their behalf by

Nigel Pye
Chairman

Independent auditor's report to the members of St Helena Hospice

We have audited the financial statements of St Helena Hospice (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the 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 of the parent charitable company's affairs as at 31 March 2021 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
- Have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on St Helena Hospice's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other Information

The other information comprises the information included in the trustees' annual report, including the strategic report, other than the group financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the group financial statements or our knowledge obtained in the course of 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 this gives rise to a material misstatement in the group financial statements themselves. 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' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 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.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the parent 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.

Independent auditor's report
To the members of
St Helena Hospice Limited

- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Judith Miller (Senior statutory auditor)

9 September 2021

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

St Helena Hospice

Consolidated Statement of Financial Activities

(incorporating an income and expenditure account)

For the year ended 31 March 2021

		2021			2020		
	Notes	Unrestricted £ 000's	Restricted £ 000's	Total £ 000's	Unrestricted £ 000's	Restricted £ 000's	Total £ 000's
Income from:							
Donations		931	52	983	710	142	852
Legacies		1,117	-	1,117	2,058	2	2,060
Charitable activity Income	2	3,689	220	3,909	3,938	474	4,412
Other trading activities	3	6,813	42	6,855	8,152	412	8,564
Investment Income	4	174	-	174	229	-	229
Covid support funding	5	1,870	2,129	3,999	290	-	290
Total income		14,594	2,443	17,037	15,377	1,030	16,407
Expenditure on:							
Raising funds	6a	4,918	17	4,935	4,969	294	5,263
Hospice Care charitable expenditure	6b	7,129	2,349	9,478	7,901	677	8,578
Lottery partner charitable donations	6b	1,734	-	1,734	1,539	-	1,539
Total expenditure		13,781	2,366	16,147	14,409	971	15,380
Net income before net gains on investments							
		813	77	890	968	59	1,027
Net realised gains on investments		-	-	-	-	-	-
Net unrealised gains/(loss) on investments		652	-	652	(850)	-	(850)
Net income / (expenditure) for the year after net losses on investments							
7		1,465	77	1,542	118	59	177
Transfers between funds		-	-	-	40	(40)	-
Net movement in funds							
		1,465	77	1,542	158	19	177
Reconciliation of funds:							
Total funds brought forward		10,463	340	10,803	10,305	321	10,626
Total funds carried forward							
		11,928	417	12,345	10,463	340	10,803

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 19 to the financial statements.

St Helena Hospice

Balance sheet

Company no. 01511841

As at 31 March 2021

		GROUP 2021 £000's	GROUP 2020 £000's	CHARITY 2021 £000's	CHARITY 2020 £000's
	Notes				
Fixed assets:					
Tangible assets	13	5,083	5,229	5,083	5,229
Investments	14	4,823	4,171	4,823	4,171
		9,906	9,400	9,906	9,400
Current assets:					
Stock	15	5	2	-	-
Debtors	16	2,337	3,526	2,333	3,525
Cash at bank and in hand		4,052	1,843	4,049	1,839
		6,394	5,371	6,382	5,364
Liabilities:					
Creditors: amounts falling due within one year	17	(3,756)	(3,718)	(3,761)	(3,731)
Net current assets		2,638	1,653	2,621	1,633
Total assets less current liabilities		12,544	11,053	12,527	11,033
Creditors: amounts falling due after one year	17b	(199)	(250)	(199)	(250)
Total net assets	18	12,345	10,803	12,328	10,783
The funds of the charity:	19				
Restricted income funds		417	340	417	340
Unrestricted income funds:					
Designated funds		5,083	5,230	5,083	5,230
Fair value reserve		965	313	965	313
General funds		5,880	4,920	5,863	4,900
Total unrestricted funds		11,928	10,463	11,911	10,443
Total charity funds		12,345	10,803	12,328	10,783

Approved by the trustees on 5 August 2021 and signed on their behalf by

Nigel Pye
Chairman

Catherine Bhuiya
Treasurer

St Helena Hospice

Consolidated statement of cash flows

For the year ended 31 March 2021

	Notes	2021 £ 000's	£ 000's	2020 £ 000's	£ 000's
Cash flows from operating activities					
Net cash provided by operating activities	20		2,260		129
Cash flows from investing activities:					
Dividends and interest		174		229	
Proceeds from the sale of fixed assets		-		-	
Purchase of fixed assets		(215)		(271)	
Proceeds from sale of investments		-		-	
Disposal of fixed assets					
Net cash provided by investing activities			(41)		(42)
Cash flows from financing activities:					
Repayments of borrowing		(10)		-	
Cash inflows from new borrowing		-	-	-	250
Net cash provided by / (used in) financing activities			(10)		-
Change in cash and cash equivalents in the year			2,209		337
Cash and cash equivalents at the beginning of the year			1,843		1,506
Cash and cash equivalents at the end of the year			<u>4,052</u>		<u>1,843</u>

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

a) Statutory information

St Helena Hospice is a charitable company limited by guarantee and is incorporated in the United Kingdom. Registered Address - St Helena Hospice, Myland Hall, Barncroft Close, Colchester, Essex CO4 9JU. Charity Number : 280919

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. These accounts consolidate the results of the charity and its wholly owned trading subsidiary, St Helena Hospice Trading Limited, on a line by line basis.

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

c) Public benefit entity

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

d) Going concern

The trustees have reviewed the financial position and the short term net current assets and uncertainties about the charitable company's ability to continue as a going concern. The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

The charity has been affected by the Covid19 pandemic with suspension of the majority of retail and fundraising activities. The loss of income has been mitigated by additional grant support from Hospice UK and the launching of an emergency appeal. The charity's services have been adapted to provide a protected environment for staff and patients with additional support from NHS grants.

A revised financial and cash forecast has been reviewed by trustees and the charity group are still able to continue as a going concern.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably. Donations are accounted for on a receivable basis.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Grants are recognised on an accruals basis in the year to which the grant relates.

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted and the terms of the will can no longer be challenged, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Gifts donated for resale are included in income when they are sold.

Income from events is recognised when the event has taken place. Donations are accounted for on a receivable basis.

Deferred income includes amounts received in respect of work to be undertaken in the next year. The Charity operates a gift aid scheme through its shops which enables gift aid to be claimed on the net sale proceeds of items that have been donated under the scheme. An estimate of income from gift aid is accrued at the point that donated items are sold.

Lottery income is accounted for in respect of those draws that have taken place in the year.

Trading income is recognised on point of sale for both donated and purchased goods.

Other income is accounted for on a full accruals basis when the company is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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

f) Donations of gifts, services and facilities

Donated gifts or services are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. A corresponding entry in the appropriate expenditure heading for the same amount is included. Donated fixed assets are similarly taken to income at the value to the charity with the other entry being capitalised in fixed assets. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report for more information about their contribution.

g) Investment and interest income

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. Dividend income is recognised when the right to receive the payment has been established.

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

h) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor, or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. Expenditure which meets these criteria is charged to the fund.

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

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. The aim and use of each designated and restricted fund is set out in the notes to the accounts. (see note 18)

i) Expenditure and irrecoverable VAT

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

- Costs of raising funds includes fundraising, retail and lottery activities.

Fundraising costs incurred in seeking donations, grants and legacies and their associated support hosting, promotion and advertising of events. Entrance costs to challenge events such as organised activities such as treks and cycle challenges.

Retail costs includes the premises costs for retail shops, e.g. rent, utilities; new goods purchased postage costs. There are staff and associated support costs, and the expenses incurred in running the retail gift aid scheme.

Lottery costs include the prize fund, canvasser costs for recruitment and associated support. Canvasser costs are incurred where recruiters are employed to sign players up to the lottery. In significantly increase the number of lottery players was implemented, new players are entered into for all future draws. To reflect the future income that these players will generate, from April 2019 subsequent years, this deferment is reduced by 10% to adjust for players that may cancel during 12 months against some canvassers to recoup some of the costs for players that cancel in the. Where new partners join the lottery and an existing database exists for the players that are transferring, the costs associated with data migration are spread over the first three years of the contract.

- Hospice Care Expenditure includes all costs relating to providing patient and family services including the Inpatient Unit, Medical Team, Community including Singlepoint and Home Care, Therapies and Wellbeing Team and their associated support costs.

Royalty payments to lottery partners are charged to the accounts as charitable costs. This is to reflect the additional funds that these payments contribute back to other Hospice's and Charities, Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

j) Grants payable

Grants payable are made to third parties in furtherance of the Charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the Charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

k) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. Support costs are the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function.

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

Support and governance costs are re-allocated to each of the activities on the basis of staff costs.

l) Tangible fixed assets

Items of equipment are capitalised where an individual cost is in excess of £1,000 or where the total cost exceeds this value when they form part of a capital investment project. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Capital costs for construction costs are not depreciated until the asset is complete. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset. The useful lives are as follows:

Freehold land	Not depreciated
Freehold buildings	50 years
Leasehold improvements	The remaining lease term to a maximum of 10
Furniture, Green Energy and other equipment	10 years
Computer hardware and electrical equipment	3 years
Motor Vehicles	4 years

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

m i) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities and any excess of fair value over the historic cost of the investments will be shown as a fair value reserve in the balance sheet. Investment gains and losses are shown as either realised or unrealised "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

ii) Investments in subsidiaries

Investments in subsidiaries are at cost.

n) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. No amounts are included in the financial statements for services donated by volunteers or for the value of donated goods not yet sold.

o) 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.

p) Cash at bank and in hand

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

q) 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.

Leased property dilapidations for continuing or held over leases are only provided for in the liability exists within the lease and has been evaluated as reasonably likely to arise by a property has been closed, vacated or notice has been given to the landlord to vacate the property, expected cost of building works, any remaining net book value of assets and any expected legal with the closure of the property.

r) Financial instruments

With the exception of the listed investments described above 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.

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

s) Pensions

AVIVA Pension scheme

Employees can join a defined contribution pension scheme which is administered by Aviva. The contributions disclosed in note 8. The charity has no liability beyond making its contributions deductions for the employees' contributions.

NHS Pension scheme

Staff transferring from the NHS may continue to contribute to the NHS scheme.

Past and present employees are covered by the provisions of the two NHS Pension Schemes. Details of the benefits payable and rules of the Schemes can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. Both are unfunded defined benefit schemes that cover NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State for Health and Social Care in England and Wales. They are not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, each scheme is accounted for as if it were a defined contribution scheme: the cost to the NHS body of participating in each scheme is taken as equal to the contributions payable to that scheme for the accounting period.

In order that the defined benefit obligations recognised in the financial statements do not differ materially from those that would be determined at the reporting date by a formal actuarial valuation, the FReM requires that "the period between formal valuations shall be four years, with approximate assessments in intervening years". An outline of these follows:

a) Accounting valuation

A valuation of scheme liability is carried out annually by the scheme actuary (currently the Government Actuary's Department) as at the end of the reporting period. This utilises an actuarial assessment for the previous accounting period in conjunction with updated membership and financial data for the current reporting period, and is accepted as providing suitably robust figures for financial reporting purposes. The valuation of the scheme liability as at 31 March 2021, is based on valuation data as at 31 March 2020, updated to 31 March 2021 with summary global member and accounting data. In undertaking this actuarial assessment, the methodology prescribed in IAS 19, relevant FReM interpretations, and the discount rate prescribed by HM Treasury have also been used.

The latest assessment of the liabilities of the scheme is contained in the report of the scheme actuary, which forms part of the annual NHS Pension Scheme Accounts. These accounts can be viewed on the NHS Pensions website and are published annually. Copies can also be obtained from The Stationery Office.

b) Full actuarial (funding) valuation

The purpose of this valuation is to assess the level of liability in respect of the benefits due under the schemes (taking into account recent demographic experience), and to recommend contribution rates payable by employees and employers.

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

1 Accounting policies

The latest actuarial valuation undertaken for the NHS Pension Scheme was completed as at 31 March 2016. The results of this valuation set the employer contribution rate payable from April 2019 to 20.6% of pensionable pay. The 2016 funding valuation was also expected to test the cost of the Scheme relative to the employer cost cap that was set following the 2012 valuation. In January 2019, the Government announced a pause to the cost control element of the 2016 valuations, due to the uncertainty around member benefits caused by the discrimination ruling relating to the McCloud case.

The Government subsequently announced in July 2020 that the pause had been lifted, and so the cost control element of the 2016 valuations could be completed. The Government has set out that the costs of remedy of the discrimination will be included in this process. HMT valuation directions will set out the technical detail of how the costs of remedy will be included in the valuation process. The Government has also confirmed that the Government Actuary is reviewing the cost control mechanism (as was originally announced in 2018). The review will assess whether the cost control mechanism is working in line with original government objectives and reported to Government in April 2021. The findings of this review will not impact the 2016 valuations, with the aim for any changes to the cost cap mechanism to be made in time for the completion of the 2020 actuarial valuations.

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

2 Income from Charitable Activities

2a Grants

NHS Grants	3,472	83	3,555	3,727	102	3,829
Grants from other charities	55	24	79	3	39	42
iBCF / GSF Grant Education Income	-	7	7	-	70	70
iBCF / GSF Grant Clinical Income	-	17	17	-	38	38
Small Business Grants	-	-	-	-	-	290
Other Grant Income	-	-	-	-	-	-
Sub-total for Grants	3,527	131	3,658	3,730	249	4,269

2b Education

Course fees/Education programmes	(1)	-	(1)	5	-	5
Hire of facilities	-	-	-	6	-	6
Catering	-	-	-	-	-	-
Other (Placement Fees)	3	-	3	10	-	10
Sub-total for Education Income	2	-	2	21	-	21

2c Other income from charitable activities

Catering income from staff and visitors	17	-	17	42	-	42
Other	28	-	28	3	-	3
Home Care Contract Income	-	-	-	-	-	-
Insurance Income for Patient care	-	-	-	12	-	12
Deanery Income	44	-	44	30	-	30
Letting Income	-	-	-	3	-	3
Green Energy	21	-	21	16	-	16
Clinical Staff secondment income	24	52	76	6	139	145
Support services provided to other organisations	26	37	63	75	86	161
Sub-total for Other Income	160	89	249	187	225	412

Total income from charitable activities	3,689	220	3,909	3,938	474	4,702
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3 Income from other trading activities

Retail Income	1,624	-	1,624	3,071	-	3,071
Lottery Income	4,692	-	4,692	4,346	-	4,346
Fundraising and Marketing Income	497	42	539	735	412	1,147
	6,813	42	6,855	8,152	412	8,564

4 Income from investments

UK listed investments	171	-	171	224	-	224
Bank Interest	3	-	3	5	-	5
	174	-	174	229	-	229

5 Covid support funding

Hospice UK grants	-	2,048	2,048	-	-	-
NHS Grants	756	-	756	-	-	-
Community grants	285	-	285	-	-	-
Bereavement funding	25	25	50	-	-	-
Small business grants	218	-	218	290	-	290
Job retention scheme	552	-	552	-	-	-
Landlords relief	34	-	34	-	-	-
Capital equipment	-	56	56	-	-	-
	1,870	2,129	3,999	290	-	290

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

6 Analysis of expenditure

a Analysis of Raising Funds Costs

	2021				2020			
	Fundraising	Retail	Lottery	Raising funds	Fundraising	Retail	Lottery	Raising funds
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Staff costs (Note 9)	599	1,186	404	2,189	621	1,181	364	2,166
Cost of Sales	-	140	-	140	-	152	-	152
Other costs	104	995	228	1,327	356	1,014	262	1,632
Prizes	-	-	260	260	-	-	211	211
Player recruitment	-	-	450	450	-	-	550	550
Fundraising events and appeals	47	-	11	58	113	-	-	113
Supporter communication	-	-	-	-	16	-	-	16
				-				-
	750	2,321	1,353	4,424	1,106	2,347	1,387	4,840
Support costs	120	241	86	447	116	218	58	392
Governance costs	16	36	12	64	9	17	5	31
Total Expenditure	886	2,598	1,451	4,935	1,231	2,582	1,450	5,263

b Analysis of Expenditure 2020/21

	Charitable activities						Governance costs	Support costs	2021 Total
	Raising funds	In Patient care	Community Care	Therapies and Wellbeing	Education and Research	Other Costs			
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Staff costs (Note 9)	2,189	2,692	2,501	689	49	-	164	1,171	9,455
Cost of Sales	140	-	-	-	-	-	-	6	146
Other costs	1,327	770	1,100	220	12	-	35	580	4,044
Prizes	260	-	-	-	-	-	-	-	260
other Charities	-	-	-	-	-	1,734	-	-	1,734
Player recruitment	450	-	-	-	-	-	-	-	450
Fundraising events and appeals	58	-	-	-	-	-	-	-	58
	4,424	3,462	3,601	909	61	1,734	199	1,757	16,147
Support costs	447	550	516	138	72	-	34	(1,757)	-
Governance costs	64	77	71	19	2	-	(233)	-	-
Total Expenditure 2021	4,935	4,089	4,188	1,066	135	1,734	-	-	16,147

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

Analysis of Expenditure 2019/20

	Charitable activities						Governance costs	Support costs	2020 Total
	Raising funds	In Patient care	Community Care	Therapies and Wellbeing	Education and Research	Other Costs			
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Staff costs (Note 9)	2,166	2,573	2,023	1,067	210	-	55	1,041	9,135
Cost of Sales	152	-	-	-	-	-	-	6	158
Other costs	1,632	667	397	226	65	-	40	576	3,603
Lottery Prizes	211	-	-	-	-	-	-	-	211
Royalty payments to other Charities	-	-	-	-	-	1,539	-	-	1,539
Lottery Player recruitment	550	-	-	-	-	-	-	-	550
Fundraising events and appeals	113	-	-	-	-	-	-	-	113
Supporter communication	16	-	-	-	-	-	-	-	16
Payments to other Charities	-	-	-	-	-	-	-	-	-
Grants to other Charities	-	-	-	-	-	-	-	-	-
Grants to other Organisations	-	55	-	-	-	-	-	-	55
	4,840	3,295	2,420	1,293	275	1,539	95	1,623	15,380
Support costs	392	465	364	189	198	-	15	(1,623)	-
Governance costs	31	35	28	14	2	-	(110)	-	-
Total Expenditure 2020	5,263	3,795	2,812	1,496	475	1,539	-	-	15,380

St Helena Hospice

Notes to the financial statements

For the year ended 31 March 2021

7 Investment in Subsidiary Companies

The Charity holds a £1 investment in one share representing 100% of the equity in St Helena Hospice Trading Limited, company registration number 07152341.

Summary financial information for St. Helena Hospice Trading Limited

	2021 £ 000's	2020 £ 000's
Statement of income and retained earnings (including comprehensive income)		
Turnover	37	63
House Clearance	25	27
Consultancy income	12	9
Cost of sales	(17)	(32)
Gross Profit	57	67
Inter company Charges	(33)	(42)
Direct Charges	-	-
Administration and other expenses	(7)	(5)
Profit for the financial year	17	20
Changes in equity		
Total equity brought forward	20	3
Total comprehensive income for the year	17	20
Gift Aid distribution to parent charity	(20)	(3)
Total equity carried forward	17	20
Balance Sheet		
Stock	5	2
Debtors	4	1
Cash	3	4
Inter company	8	16
Current liabilities	(3)	(3)
Net current assets	17	20
Net Assets	17	20
Reserves	17	20
Share Capital	-	-
Capital and Reserves	17	20

The Charity holds a £1 investment in one share representing 100% of the equity in Your Hospice Lottery Limited.

The Charity holds a £1 investment in one share representing 100% of the equity in Make a Smile Lottery Limited.

The Charity holds a £1 investment in one share representing 100% of the equity of St Helena Care Services Limited

Parent charity	2021 £ 000's	2020 £ 000's
Income for the year	16,984	16,311
Result for the year	1,545	159

St Helena Hospice

Notes to the Consolidated Financial Statements

For the year ended 31 March 2021

	2021	2020
	£ 000's	£ 000's
8 Net income for the year		
This is stated after charging:		
Depreciation	361	315
Loss/(Gain) on disposal of fixed assets	(1)	49
Operating lease rentals:		
Property	500	512
Other	28	12
Auditor's remuneration (excluding VAT):		
Audit - St Helena Hospice Group	16	15
Other services - St Helena Hospice Group	2	2

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

Staff costs were as follows:

Salaries and wages	7,756	7,546
Social security costs	690	667
Apprenticeship Levy	22	21
Pension - Defined Contribution	528	502
Pension - Defined Benefit	368	374
Redundancy and termination payments	91	25
	9,455	9,135

During the year 13 staff were paid redundancy and termination payments (Prior Year: 4)

The following number of employees received employee benefits (excluding employer pension costs and employer's national insurance) during the year between:

	2021	2020
	No.	No.
£60,000 - £69,999	2	2
£70,000 - £79,999	3	1
£80,000 - £89,999	-	1
£90,000 - £99,999	-	1
£100,000 - £109,999	1	-

The Hospice considers that the key management personnel comprises the trustees and the senior management team. This management team are the Chief Executive and 4 other key directors (Prior Year: CEO + 6).

	2021		2020	
	Actual Number	FTE	Actual Number	FTE
Chief Executive Officer	1	1.00	1	0.50
Senior Management Team	4	4.00	6	4.97
	5	5.00	7	5.47

The total employee benefits including employer's national insurance and pension contributions of the key management personnel of the Hospice were £507K in the current year. (Prior Year: £525K).

Trustees are not remunerated for the work they undertake fulfilling their Trustee duties for the charity.

During the year a total of £ nil expenses (Prior Year: £nil) were paid to Trustees.

St Helena Hospice

Notes to the Consolidated Financial Statements

For the year ended 31 March 2021

10 Staff numbers

The number of employees (head count based on number of staff employed) at the year end was 303 (Prior Year: 310).

	2021		2020	
	Actual Number	FTE	Actual Number	FTE
Patient and Family Care	173	138	182	145
Education and Research	-	-	4	3
Marketing, Fundraising and Lottery	36	33	37	34
Retail	67	56	64	53
Support Services	27	25	23	22
	303	252	310	257

11 Related party transactions

2 Trustees (Prior Year - 2) are Partners of companies from which the Charity purchased services, full details are given below;

Tracey Dickens is a Partner of Birkett Long the Charity's Solicitors who charged the Charity a total of £7K (Prior Year : £5K) in fees for legal services during the year.

David Cresswell is a Partner of Ingleton Wood the company appointed by the Charity to perform professional survey, contract management and advice services for major building projects and property leases. Ingleton Wood charged the Charity £2K (Prior Year: £11K) during the year.

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.

12 Taxation

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

13 Tangible fixed assets - group and charity

	Freehold property	Leasehold Improvements	Equipment	Computer equipment Furniture	Motor vehicles	Total
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Cost						
At the start of the year	6,743	979	275	539	83	8,619
Additions in year	-	122	48	24	22	216
Disposals in year	-	-	-	-	(15)	(15)
At the end of the year	6,743	1,101	323	563	90	8,820
Depreciation						
At the start of the year	2,257	516	177	383	58	3,391
Charge for the year	128	116	61	43	13	361
Disposals in year	-	-	-	-	(15)	(15)
At the end of the year	2,385	632	238	426	56	3,737
Net book value						
At the end of the year	4,358	469	85	137	34	5,083
At the start of the year	4,486	463	98	156	25	5,228

Land with a value of **£38,600** (Prior Year: **£38,600**) is included within freehold property and not depreciated.

All of the above assets are used for charitable purposes.

St Helena Hospice

Notes to the Consolidated Financial Statements

For the year ended 31 March 2021

14 Investments

Listed Investments

	2021 £ 000's	2020 £ 000's
Fair value at the start of the year	4,171	5,021
Disposal proceeds	-	-
Realised Gains	-	-
Net Gain/(loss) on change in fair value	652	(850)
Total Listed Investments at the end of the year	4,823	4,171

	2021 £	2020 £
Unlisted shares in UK registered companies	10	10

	2021 £ 000's	2020 £ 000's
Total Investments at the end of the year	4,823	4,171

Other Investments comprise:

	2021 £	2020 £
Unlisted shares in Trading Subsidiary Company	1	1
Unlisted shares in Subsidiary Companies yet to trade	3	2
	4	3

	2021 £ 000's	2020 £ 000's
Total Fixed Asset Investments - Charity	4,823	4,171

Historic cost at the end of the year	3,858	3,858
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St Helena Hospice

Notes to the Consolidated Financial Statements

For the year ended 31 March 2021

	Group 2021 £ 000's	Group 2020 £ 000's	Charity 2021 £ 000's	Charity 2020 £ 000's
15 Stock				
New and Branded Goods	5	2	-	-
	<u>5</u>	<u>2</u>	<u>-</u>	<u>-</u>

16 Debtors

Trade debtors	51	360	48	360
Other debtors	-	26	-	26
Amounts due from subsidiary company	-	-	-	-
Prepayments	1,480	1,324	1,480	1,324
Accrued income	476	723	476	723
Income Tax recoverable	7	43	7	43
Value Added Tax	79	121	79	120
Legacies	243	929	243	929
	<u>2,336</u>	<u>3,526</u>	<u>2,333</u>	<u>3,525</u>
Other Debtors due after one year	-	-	-	-
	<u>2,337</u>	<u>3,526</u>	<u>2,333</u>	<u>3,525</u>

An unsecured loan of £25K was entered into with The Hospice Quality partnership dated 31 July 2015. The maturity date for this loan was 31 July 2020 and carries an Interest rate of 6%.

As at 31 March 2021 the Charity has been notified of 11 - £157K (Prior Year - 8 - £355K) legacies which have not been included in debtors because the accounting policy conditions for recognition have not been met. In addition 8 further legacy notifications have been received with no indication of their value.

17 Creditors: amounts falling due within one year

Big Issue Invest loan (see note 17b)	41	-	41	-
Trade Creditors	689	631	688	631
Accruals	631	1,443	629	1,439
Deferred Income	2,104	1,393	2,104	1,393
Other Taxes and Social Security	291	251	291	251
Amounts due to subsidiary company	-	-	8	16
	<u>3,756</u>	<u>3,718</u>	<u>3,761</u>	<u>3,730</u>

17b Creditors: amounts falling due after one year

Big Issue Invest loan	199	250	199	250
	<u>199</u>	<u>250</u>	<u>199</u>	<u>250</u>

The deferred income relates to money received in advance. This includes a balance of **£572K** (Prior Year - **£369K**) for future lottery draws, **£1,427K** (Prior Year - **£515K**) for Grants received in advance and **£105K** (Prior Year - **£74K**) for future fundraising events. All of the deferred income brought forward was recorded as income during the year ended 31 March 2021.

St Helena Hospice entered into a loan agreement with Big Issue Invest Social Investments Ltd on 28th August 2019. This agreement is for a loan facility of £1.5M, to be drawdown in minimum £250K amounts between 28th September 2019 and 28th February 2021. Interest is payable at 7.5% on a quarterly basis, with repayment of the loan facility in 20 equal quarterly payments from 31st March 2021 until 28th February 2026.

St Helena Hospice

Notes to the Consolidated Financial Statements

For the year ended 31 March 2021

18a Analysis of net assets between funds 2021

	Unrestricted £ 000's	Designated £ 000's	Restricted £ 000's	Total funds £ 000's
Tangible fixed assets	-	5,083	-	5,083
Fair Value Reserve	965	-	-	965
Investments	3,858	-	-	3,858
Net current assets	2,221	-	417	2,638
Long term liabilities	(199)	-	-	(199)
Net assets at 31 March 2020	6,845	5,083	417	12,345

18b Analysis of net assets between funds 2020

	Unrestricted £ 000's	Designated £ 000's	Restricted £ 000's	Total funds £ 000's
Tangible fixed assets	-	5,229	-	5,229
Fair Value Reserve	313	-	-	313
Investments	3,858	-	-	3,858
Net current assets	1,313	-	340	1,653
Long term liabilities	(250)	-	-	(250)
Net assets at 31 March 2019	5,234	5,229	340	10,803

19a Movements in funds (current year)

	At 1 April 2020 £ 000's	Income & gains £ 000's	Expenditure & losses £ 000's	Transfers £ 000's	At 31 March 2021 £ 000's
Restricted funds:					
Educational Trust	-	-	-	-	-
Specific Donations	340	395	(318)	-	417
Hospice UK Covid Funding	-	2,048	(2,048)	-	-
Fixed Assets	-	-	-	-	-
Total restricted funds	340	2,443	(2,366)	-	417
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	5,229	216	(362)	-	5,083
Hospice Capital Fund	1	-	-	(1)	-
Total designated funds	5,230	216	(362)	(1)	5,083
Fair Value Reserve	313	-	652	-	965
General funds	4,920	14,378	(13,419)	1	5,880
Total unrestricted funds	10,463	14,594	(13,129)	-	11,928
Total funds	10,803	17,037	(15,495)	-	12,345

The narrative to explain the purpose of each fund is given at the foot of the note below.

St Helena Hospice

Notes to the Consolidated Financial Statements

For the year ended 31 March 2021

19b Movements in funds (prior year)

	At 1 April 2019	Income & gains	Expenditure & losses	Transfers	At 31 March 2020
	£ 000's	£ 000's	£ 000's	£ 000's	£ 000's
Restricted funds:					
Educational Trust	116	-	(116)	-	-
Specific Donations	165	992	(855)	38	340
Fixed Assets	40	38	-	(78)	-
Total restricted funds	321	1,030	(971)	(40)	340
Unrestricted funds:					
Designated funds:					
Fixed Asset Fund	5,313	232	(394)	78	5,229
Leasehold Site Dilapidation Fund	52	-	-	(52)	-
Hospice Capital Fund	3,775	-	-	(3,774)	1
Total designated funds	9,140	232	(394)	(3,748)	5,230
Fair Value Reserve	1,163	-	(850)	-	313
General funds	2	15,145	(14,015)	3,788	4,920
Total unrestricted funds	10,305	15,377	(15,259)	40	10,463
Total funds	10,626	16,407	(16,230)	-	10,803

Movement between funds

- (i) Educational Trust - interest received on funds, which has been transferred to Unrestricted Income.
- (ii) Fixed Assets - movement of non-maintaining fixed assets to designated fund. (see notes below on Fixed Assets).

Specific donations

The Specific donations funds comprise accumulated amounts given for the purchase of specified items or other specific purposes. Incoming resources to the Specific Donations Funds include grants to fund specific services, expenditure relating to these services are identified to the individual funds.

Hospice UK Funding

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

Purposes of designated funds

The **fixed assets fund** was established to assist in identifying those funds that are not free funds and it represents the net book value of tangible fixed assets. The Fund movements reflect the purchases, disposals and depreciation charges and adjustments of all unrestricted tangible fixed assets. Fixed Assets that have a non-maintaining restriction are moved to the designated fund on purchase.

The **leasehold sites dilapidation fund** was established for prudent risk management of potential dilapidation liabilities that may occur from the current use of leasehold properties for which no provision can be made in the Statement of Financial Activities. The Board of Trustees have released this restricted fund into general reserves on the basis that any future dilapidation liabilities will be accrued for within the Statement of Financial Activities as the liability arises.

Following a review of reserves policy by the trustees during the year, the decision was made to move away from using a proportion of expenditure to a risk based approach for assessing appropriate reserves. As the previous **hospice capital fund** represented a proportion of expenditure to be held in reserves, under the new policy it is no longer needed.

St Helena Hospice

Notes to the Consolidated Financial Statements

For the year ended 31 March 2021

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

	2021 £ 000's	2020 £ 000's
Net income / (expenditure) for the reporting period (as per the statement of financial activities)	1,542	177
Depreciation charges	361	345
(Gains)/Losses on investments	(652)	850
Bank interest	(3)	(5)
Investment Income	(171)	(224)
Loss on the disposal of fixed assets	-	49
Decrease in stocks	(3)	2
Increase in debtors	1,189	(1,853)
Increase in creditors	(3)	788
Net cash (used in) by / provided operating activities	2,260	129

21 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property		Equipment	
	2021 £ 000's	2020 £ 000's	2021 £ 000's	2020 £ 000's
Less than one year	518	500	37	28
One to five years	751	1,104	79	68
Over five years	78	132	19	35
	1,347	1,736	135	131

22 Legal status of the charity

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