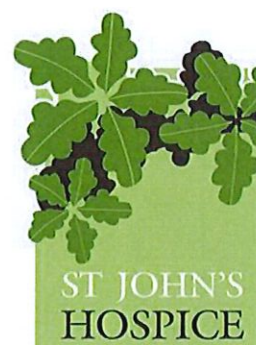


St John's Hospice

North Lancashire and South Lakes



Trustees' Report and Financial Statements For the year ended 31 March 2021



Care, Compassion & Support

St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation registered in England with charity number 1157030

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2021

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ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

BACKGROUND TO THE CHARITY

St John's Hospice North Lancashire and South Lakes ("the Charity") was founded on 1 April 2014 as a charitable incorporated organisation ("CIO") and registered with the Charity Commission on 13 May 2014 with Charity Number 1157030. The CIO was formed to take over the assets and undertakings of North Lancashire and Lakeland Continuing Care Trust, an unincorporated charity with charity number 510667 that was founded in 1980 to establish a hospice for residents of North Lancashire and the South Lakes. These assets and undertakings were transferred on 1 October 2014. The objectives and trading name of the new CIO are identical to those of the unincorporated charity, which was removed from the Register of Charities. The Charity is known as St John's Hospice ("the Hospice").

The principal object of St John's Hospice, which opened its doors to patients in December 1985, is the relief and care of persons of either sex (without regard to race or creed) who are suffering from any chronic or terminal illness or from any disability or disease. These aims are achieved by inpatient care, outpatient clinics, day hospice (currently suspended during the current Covid-19 pandemic), domiciliary care and associated educational initiatives.

The running costs of the Hospice are met by discretionary grants from the local Clinical Commissioning Group and by funds raised by the Charity supported by the remarkable generosity of the local community.

The Hospice places great value on its connections with a number of public sector and voluntary organisations that cooperate with it and at times provide joint services.

Our Vision

Putting local patients and families at the heart of everything we do will ensure that on the journey towards the end of life, we provide the right care, in the right place, at the right time.

Our Mission

Ensuring our services are clearly understood and accessible to those in need where and when required.



ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Our Values

Care – We will provide first class care, delivered by competent, committed people who put the patient at the heart of all we do

Compassion – We will treat everyone with respect, dignity and empathy

Collaboration – We will work with others to ensure that patients and families receive the best end of life care possible

Charity – We will provide care free of charge to patients and families and will connect with our local communities so that they continue to finance our present and our future

Celebration – We will celebrate the abilities of the people we care for, however limited they may be. When people are bereaved we will support them to celebrate the lives of people they have lost

“St John's Hospice - Built by the people for the people”

LEGAL STRUCTURE, GOVERNANCE AND MANAGEMENT

The Charity's official name is St John's Hospice North Lancashire and South Lakes, though it is better known as St John's Hospice. The Charity is a charitable incorporated organisation governed by a Foundation Model Constitution dated 1 April 2014 under the terms of which the Trustees operate. Its charity registration number is 1157030. The Charity has 3 wholly owned subsidiaries. St John's Hospice Lancaster Limited (company number 7216444) was established to promote the sale of Hospice goods. St John's Hospice Shops Limited (company number 2490956) operates charity shops in the area selling donated goods and furniture. St John's Hospice Catering Limited (company number 10911525) runs the café at the Hospice and provides event catering.

Trustees

Governance of the Charity is the responsibility of the Board of Trustees. Trustees who have served in office from 1 April 2020 until the date of signing this report are set out below.

Mrs C Heginbotham - Chair	Mrs C Redhead
Mr M Cullinan - Vice Chair	Dr N Sayer – Appointed 9 March 2021
Mrs E Bales	Mr J Sharples
Mr K Essa – Appointed 9 March 2021	Mrs S Smith
Mr R Gaskell	Mrs J Spencer
Ms F Inglis	Mrs F Ward
Mrs D Mace	Dr J Yarnall – Appointed 9 March 2021
Mr R Meacock Resigned 7 December 2020	

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

In accordance with the Constitution, new Trustees are appointed by the existing Trustees and for a term of four years by Board resolution. In selecting new Trustees, the existing Trustees have regard to the skills, knowledge and experience needed for the effective administration of the Charity. On appointment new Trustees complete an induction programme that includes familiarisation with the purposes and operations of the Charity, appreciation of current issues and guidance on relevant policies. All Trustees are encouraged to attend seminars and training days as appropriate.

The Board ordinarily meets every three months and has two additional strategy meetings per annum to review the strategy and operation of the Charity including a rigorous review of the corporate risks affecting the Charity. Three regular sub-committees are in place to review specific areas of activity. These comprise Finance and Resources; Care, Quality and Services; and Fundraising and Communications. These sub-committees each meet every three months and report to the full Board meetings. A Remuneration sub-committee meets annually. Trustees are encouraged to take an interest in individual areas of Hospice activity. Performance of Trustees is subject to periodic review by the Chair. Trustees also communicate with each other and the Senior Management Team in the event that consideration of any issue is required between Board and/or sub-committee meetings. The Hospice is an active participant in the North West Hospices Network Group.

During this financial year, the Board agreed to hold additional full Board meetings to address the impact of the Covid-19 pandemic on the Hospice's services, staff and finances.

CHARITY DETAILS

Principal Office	St John's Hospice, Slyne Road, Lancaster
Bankers	Barclays Bank plc, Market Street, Lancaster
Auditors	MHA Moore and Smalley, Priory Close, Lancaster
Investment Managers	Smith & Williamson Limited, London Sanlam UK Limited, London

OPERATIONAL MANAGEMENT

The general operation of Hospice matters is devolved to the Senior Management Team which during the year comprised of Mrs S McGraw (*Chief Executive Officer*), Dr S Edgecombe (*Medical Director*), Mrs M Bass (*Director of Nursing and Quality*), Mrs S Mørch (*Director of Finance and Resources*), Mrs C Butterworth (*Director of Income Generation*) and Mrs S Horner (*Director of Marketing, Communications & Engagement*). Following the retirement of Mrs S Mørch in July 2021 Mrs Tracey Scott replaced her as Director of Finance and Resources.

The Senior Management Team reports to the Board of Trustees and attends regular meetings of the Board.

Operational risk is managed through the Senior Management Team, with key reference to the Care, Quality and Services sub-committee. The Senior Management Team meets weekly.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Pay for the Senior Management Team is set by the Trustees having regard to the job scoring matrix used throughout the Hospice to evaluate pay for all jobs and having regard to market salary rates.

VOLUNTEER SUPPORT AT ST JOHN'S HOSPICE



The Charity is heavily dependent on, and very thankful for, the support it receives from volunteers, who work to support the operation of the Hospice in a wide variety of ways, from helping to provide direct care, supporting income generation by fundraising or working in the charity shops, serving as Trustees, or in a host of other capacities. Sadly, due to the pandemic the involvement of volunteers at the Hospice has been severely curtailed as we have limited footfall to the Hospice to minimise the risk of spreading Covid-19. In addition, with non-essential retail closed for many months we have not needed as much volunteer support in our charity shops either.

Compared with 2020/2021 when we received the support of almost 114,000 volunteer hours, this year it was closer to 28,000 hours. This would suggest an economic value of some £361k to the Charity when calculated using the average staff cost of the department in which the volunteer works compared to £1.34m last year. This is over and above the warmth and spirit of community that the volunteers generate.

There are many more informal volunteers who help out with numerous fundraising and publicity events. The value of this support is incalculable but could easily double the calculated value of the input of the more formal volunteers.

OBJECTIVES AND ACTIVITIES INCLUDING PUBLIC BENEFIT

The Charities Act 2011 requires charities to report on the public benefit of their activities. The Trustees have had regard to the Charity Commission's guidance on public benefit and believe that an appreciation of the Charity's public benefit can be obtained from the following review of its achievements and performance.

ACHIEVEMENTS AND PERFORMANCE 2020/2021

During the year we updated the Strategic Plan for 2020-2023. Our Vision & Strategy for 2020-2023 was the result of conversations with our community, health and social care partners and volunteers and staff at the Hospice. It was clear from these conversations that Hospice care in our community is valued, it is also clear that the price of providing increasingly costly services to more and more people is simply unsustainable in the long-term and that the challenges we face require a courageous response.

We believe that a successful future for St John's demands a balance between stability and agility. Stability comes from the ethos of hospice care – what we are known for and the things we will not compromise such as excellence, compassion and dignity. However, we must also have the agility to respond to new opportunities in an innovative and progressive way, actively seeking out partnerships, trying out new ideas and being creative and compelling with our fundraising and communication messages.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The Strategic Plan has been updated during a year when we have had to respond to the Covid-19 pandemic however at the heart of the plan is for the Hospice to continue to provide for the needs of those facing life limiting illnesses in the locality.

The Vision and Strategy also identified the following six priorities in support of that mission.

- Develop and deliver high quality end of life care services with the professional competence and unique ethos that make us outstanding
- Proactively seek opportunities for collaborative working where appropriate
- Be an employer and volunteer base of choice
- Develop innovative, ethical and sustainable levels of resource to meet the service needs of our community
- Ensure St John's is the charity of choice for our local community
- Ensure St John's is the end of life charity of choice for providers.

This year we have faced unparalleled challenges as we adapted daily to the challenges of Covid-19.

Social distancing restrictions meant that we had to limit the number of patients accessing our inpatient unit. Many patients who stayed with us presented with complex holistic multi-faceted issues and with a variety of different medical, emotional and psychological needs and complexities.



Whilst we have continued to allow visitors to the inpatient unit we have been required to limit the number of visitors. It is not therefore surprising that many of our population have sought to be supported to die at home. This has meant that our Hospice at Home team and our Clinical Nurse Specialist team have received additional referrals.

Sadly, social distancing meant that we had to close our Day Hospice as it was not safe to bring vulnerable patients together at the Hospice. Day Hospice staff were redeployed to provide a much needed Respite service to our Hospice at Home patients.

The pandemic has highlighted the need to adapt our way of working and we are looking at how we transform our digital capability and capacity so we can operate in a more agile way, not only in terms of clinical care but also in the way we raise funds.

To support the delivery of the 7 strategic priorities, we are required each year to produce a Quality Account outlining three key areas for improvement in the coming year. These have been developed in conjunction with feedback from our VOICE group. The VOICE group is made up of patients, family members and volunteers, all of whom have had recent experience of Hospice services.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The three key priorities for improvement were:

Priority 1 – Develop a family-centred bereavement service

Research undertaken in partnership with Lancaster University identified a gap in the provision of bereavement support for children and young people with a particular emphasis on whole family support. We have been gifted a donation specifically to build a dedicated family support centre on our existing site. Work on the building has now been started and we have designated reserves to meet any shortfall.

Priority 2 – Pilot the FAB (Fatigue, Anxiety & Breathlessness) programme in Prisons

We had secured grant funding to enable the Hospice to work in partnership with HM Prison Service to provide a 'Fatigue, Anxiety and Breathlessness' (FAB) course for inmates at HMP Lancaster Farms. The course was for people with a diagnosis of COPD or other progressive lung disease affecting quality of breathing.

Due to the Covid-19 pandemic, we have had to postpone any work on this project.

Priority 3 – Implement the findings from the 2019/20 community consultation

During July – December 2019 an engagement project took place to consider how community based services could work differently to shape a service that meets increased future demand. The pandemic proved to be a catalyst for working quite differently in the community and, whilst the findings of the community consultation will in part influence the way services are structured in the future, our learning from the pandemic will also form part of this review. This is an on-going project.

FINANCIAL REVIEW

When we set the budget for the current financial year we were very aware of the difficulties in trying to quantify the effect the pandemic would have on the finances of the Hospice. Whilst we fully appreciate that the Trustees' have the ongoing objective of running balanced budgets year on year, we recognised that this was a year we would need to draw on our reserves to fund anticipated shortfalls in income. This meant that we budgeted to make a deficit of £403,840.

When we set the budget, we knew that the National Health Service England (NHSE) had awarded some 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. This was factored into the budget. NHSE did however continue their support as hospices nationally provided bed capacity and community support from November 2020 to March 2021 for the same purpose.

When we set the budget neither did we anticipate just how much our community would get behind us nor how much other Central and Local Government funding would be forthcoming.

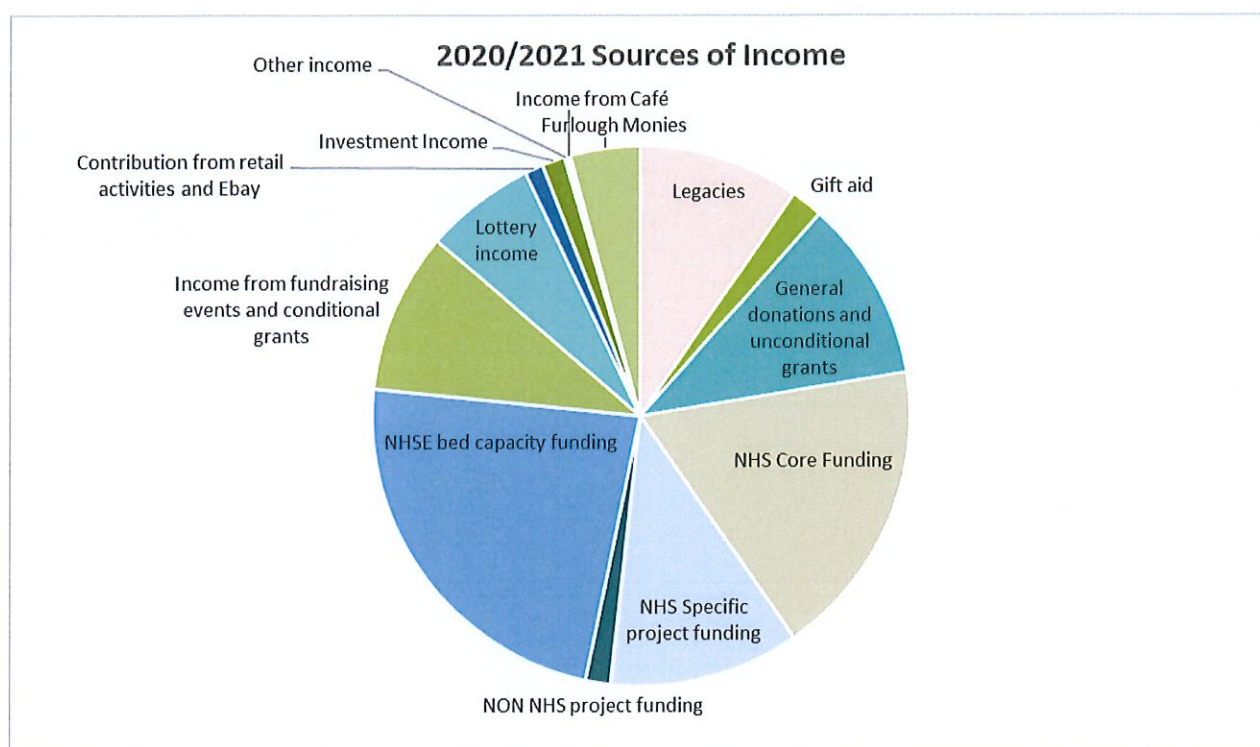
As a result of this unprecedented support we have recorded consolidated net income of £1,491,121 before investment gains and £2,130,995 post investment gains.

Set out below is an analysis of the main sources of charity income.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021



Consolidated income for the year totalled £6,904,664 with the local CCG providing £1,138,939 to fund our core work and a further £700,722 to fund specific project initiatives. In addition, NHSE supported us with £1.48m of bed capacity monies whilst as a group we also received just over £428,000 of furlough monies. Our subsidiary selling second hand goods on the High Street also received £113,000 of Local Authority Grants. The remaining £3,044,003 was generated from our loyal supporters, specific funding initiatives and our investments.

Consolidated expenditure for the year totalled £5,413,543. Expenditure on charitable activities totalled £4,189,947 of which 84% was spent on staffing costs. The remaining £1,223,596 has been spent on raising funds.

Consolidated net income for the year was £1,491,121 pre investment gains and £2,130,995 post investment gains. Our investment portfolio benefited from the rally in the stock and financial markets around the world with gains of £639,874 of which £137,668 have been realised.

Full details of the Charity's financial position and of its income and expenditure are set out in the Statements of Financial Activities, Balance Sheets and related notes which form part of these financial statements.

The continued uncertainty around the pandemic and the Government's response to the easing of lockdown has meant that setting a budget for 2021/2022 has also been challenging. Funding remains uncertain and this has been reflected in the deficit budget that has been set of £355,130 for the year which includes £80,000 of compelling projects but excludes the extraordinary funding for the Forget Me Not Centre. The Trustees are committed to using reserves to fund this deficit and the Senior Management Team is working closely with the Board to generate new funding streams and manage costs in line with anticipated future revenues.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

We are indebted again to our grant funders who have supported us during the financial year, many of whom have supported us in the past. All funds received have been spent on the projects they were intended for. For those projects where grant funding has been received in advance but the costs have not yet been incurred, any grant monies received have been carried forward to the coming financial year.

During the year ended 31 March 2021 we have received the following grants:

- NHSE awarded £1.48m of 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
- The West Lancashire Freemasons, the Yorkshire Building Society Foundation and the Cadent Foundation donated monies towards the cost of a syringe driver
- ARCO Limited donated monies towards bedding and linen for the inpatient unit
- Turner Scott Limited donated monies for pyjamas and night dresses for our inpatient unit
- Morecambe Men's Committee funded specialist patient crockery to help patients eat and drink independently
- Howard Connor Hearing purchased a Sound Ear 11 noise meter for the inpatient unit
- Bow Enterprises Limited donated monies towards the purchase of two Royal Marsden Nursing manuals
- The Sir John Fisher Foundation have again kindly funded the cost of a full time Hospice at Home Nurse for the South Lakes locality
- The Lupton Tower Trust have again given funding towards running our Kendal and South Lakes Hospice at Home and Clinical Nurse Specialist service
- The Cumbria Community Foundation also donated monies to fund the cost of providing Hospice at Home visits in the South Lakes.
- The Keswick to Barrow Walk Committee provided much needed funds to cover the salary costs of our nursing staff.
- The Bay Integrated Care Community provided funding to allow us to run programmes to support carers of individuals with life limiting illnesses
- The Harold and Alice Bridges Charity donated monies to purchase equipment to support the work of the Hospice's internal marketing and communications department
- The Medicash Foundation helped with our extra waste and cleaning costs from the pandemic
- The Asda Foundation donated monies to provide toiletries for patients and staff to help with hygiene during the pandemic
- Tesco Bags of Help donated monies to help fund the purchase of memory box sets for our patients

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- Temple Heelis Solicitors have funded the purchase of dementia clocks for our inpatient unit
- Moto in the Community Trust have donated monies to support the work of our Day Hospice staff, fund an observation machine, fund memory boxes for our patients and support training of our complementary therapy team.
- The Hadfield Charitable Trust have helped fund laptops for our clinical staff to use for patient visits
- Mr and Mrs D Reynolds gave us a grant to purchase a fruit cage for our Hospice kitchen garden
- The Storth Community Co-operative funded the purchase of an ear irrigator machine
- The Lakes Disability Trust funded the purchase of a car for our Clinical Nurse Specialist Team



In addition, the Masonic Charitable Foundation, the Brownlie Trust, the Hospital Saturday Fund, Mazars Charitable Trust and the Ecclesiastical Group kindly gave unconditional grants to support the funding of our charitable activities.

RISK MANAGEMENT

The Trustees consider and assess on an on-going basis the major risks to which the Charity may be exposed. All risks identified are set out and monitored using the corporate risk register. Systems are in place to mitigate those risks. Where they are financial it is believed that the reserves policy and financial controls minimise the potential risks. In non-financial matters there are reviews, appraisals and regulatory procedures in place.

By far the biggest risk to the Hospice has been the impact of the Covid-19 pandemic. We remain a Covid-19 Secure Organisation. As a result, a complete risk management strategy was developed and implemented. This strategy comprised:

- The establishment of a Covid-19 Risk Assessment process which has been shared with our colleagues
- The convening of additional Senior Management Team meetings
- The escalation of sub-committee to full Board meetings
- Taking measures to reduce the financial impact on the Hospice by furloughing non-essential staff and suspending non-essential services
- Taking advantage of additional Government funding where available
- Increasing the review of the Corporate Risk Register
- Setting up regular staff briefings to include and support furloughed and non-furloughed staff
- Supporting staff to be able to work at home by investing in technology

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- Establishment of cleaning, handwashing and hygiene procedures in line with guidance
- Taken steps to manage the risk of transmission of the virus including ensuring compliance with physical distancing measures in the workplace
- The establishment of a Covid-19 Task Group which meets bi-weekly to monitor and implement actions required

Staff receive appropriate annual mandatory training covering health and safety issues such as fire safety, moving and handling, basic food hygiene, safeguarding, information confidentiality and infection control. This has now been supplemented with a module on Coronavirus (Covid-19) staff support toolkit.

Along with all charitable organisations, the Hospice has a number of regulators, the principal two being the Charity Commission and the Care Quality Commission (CQC). The Hospice complies with all Charity Commission requirements. The Care Quality Commission regularly inspects the operations of the Hospice, either through self-assessment or visits and their last routine unannounced inspection visit was on 26 July 2016 when the Hospice was rated overall as "Outstanding". The overview given by the inspectors was as follows:

"We spoke with people who used the service, relatives, staff and other professionals during this inspection. They told us the service provided an exemplary level of care and the leadership was exceptional. They spoke extremely highly of staff. One person told us, 'From being in despair I am now able to focus on what matters. All with the help from the staff.' A relative said, 'The support from the hospice staff exceeded anything we had hoped for. It was fantastic.'"

Care planning was extremely flexible, person centred and proactive. People and their families told us staff championed people's right to choose how, where and when they wanted their care provided. They said staff were especially proactive and 'made things happen' in order to provide exceptional care for people. We saw staff had to support people to attend special family events with staff support and helped patients with arrangements to marry in the hospice.

People said staff were extremely caring and respectful, listened to them and assisted them promptly. They told us staff always 'went that extra mile and beyond'. We saw end of life care plans were informative and personalised and staff were remarkable in their determination to help people to carry out their final wishes. This included providing advice, support and staff at a person's home so they could remain in the comfort of their home with loved ones.

Families told us staff were extremely competent and compassionate in the way they assisted people to have control of illness symptoms and pain. They commended staff for the practical, emotional and spiritual support provided and outstanding care that enabled their relative to have a dignified, peaceful and pain free death. Written comments from families included, 'Thank you for making the end of [family member's] life so calm and dignified and filled with love'. And 'You worked miracles and [person] died serenely and comfortably. Thank you.'

The management team and trustees worked collaboratively with other agencies to develop best practice, excellent partnership work and support for people. They carried out innovative research with local and national organisations and influenced best practice and policy-making. This further improved care practices and helped develop innovative support in the hospice and the community.

The management team set up numerous forums and support groups to seek people's views, provide support and information and ensure people received person centred flexible care that fully met their needs. One comment we saw stated, 'Nothing needs changing the care is superb.' Another person had written, 'Your wonderful, warm personalities create such a lovely friendly atmosphere. You are amazing

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

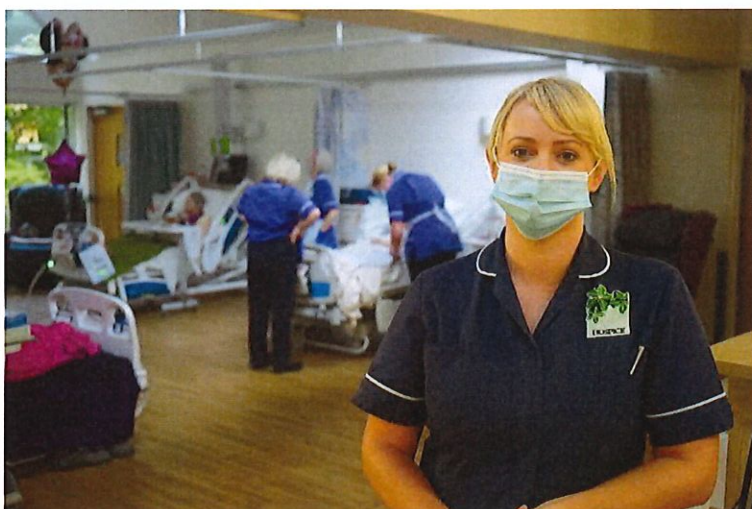
TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

and do a fantastic job.' The management team used multiple ways of monitoring and auditing care and seeking the views of people who used the service, their families, other professionals and staff. This assisted staff to provide care that was personalised and exceptionally flexible.

Other professionals were extremely complimentary about St John's Hospice, the staff attitudes and their competence. Staff demonstrated a highly sensitive and compassionate understanding of protecting and respecting people's human rights. We found staff were passionate about providing a non-discriminatory and tremendously supportive service. People who used the service, their families and staff were supported throughout their 'journey'. They were provided with complementary therapies such as reflexology and massage to assist with relaxation and reduce anxiety and distress. The care by hospice staff did not end when a person died; the hospice team continued to support families after their family member's death. They were offered bereavement counselling and support groups for emotional well-being.

Recruitment and selection was carried out safely with appropriate checks made before new staff were appointed. There were enough staff to provide safe, personalised and timely care. The provider had an extremely positive and constructive response to complaints and carried out their duty of candour with an open and transparent approach. People told us they knew how to raise a concern or complaint and staff encouraged them to express any ideas or concerns. The registered manager had systems to monitor and manage accidents and incidents to maintain everyone's safety. One person confirmed, 'I feel safe and supported here and not worried.'"



Full details of the Charity Commission Report and Care Quality Commission's inspection can be found on the respective organisation's web-site.

It should be noted that our next inspection will be as a provider of independent healthcare which will use different key lines of enquiry to those used in the 2016 inspection. Whilst the last full inspection was in 2016, we have regular update and review meetings with our CQC Relationship Manager, the latest review meeting took place on the 24th February 2021 and the CQC confirmed there are no areas of risk or concern at the Hospice.

The Hospice takes the role of clinical governance very seriously and monitors all areas to ensure clinical effectiveness; patient safety and patient experience are at the forefront of care. Our corporate and clinical governance structures ensure that we have both the systems and processes in place to maintain a viable and responsible operation, whilst ensuring that our services are of the highest quality and meet the aspirations of our vision.

The Integrated Governance Committee, which comprises all members of the Senior Management Team, oversees the development, implementation and monitoring of the Hospice's integrated governance arrangements. In addition it looks at the systems and processes by which the Hospice leads, directs and controls its functions in

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

order to achieve strategic organisational objectives, assure safety and optimise quality of service. The Committee also seeks to ensure that all statutory responsibilities of the Hospice are covered appropriately and all requirements of our various regulators are met. The Committee reports directly to the relevant Board sub-committees.

The annual Data Security & Protection Toolkit was completed in line with the NHS's extended deadline of the 1st June 2021.

Serious Incidents

There are no serious incidents to report.

FUNDRAISING

With only approximately one third of our funding being received from our local CCG, fundraising is an integral part of the work we do at the Hospice to ensure that our services can continue to be provided free of charge. We are grateful for the support of the very many people and organisations within our community who raise funds on our behalf.

We take our responsibilities towards fundraising very seriously and are committed to ensuring that the standards we adopt for fundraising mirror our vision and values treating everyone with care and compassion.

The Director of Income Generation and the Director of Marketing and Communications are responsible for devising and delivering the annual Income Generation, Communications and Engagement strategy.

Income Generation fundraising activities cover:

- Individual giving
- Community and corporate fundraising
- Fundraising events organised by the Hospice
- Sourcing of grants
- Legacy fundraising
- Operation of a lottery
- Selling second hand goods through our charity shops
- Operating a café within the Hospice.

The Trustees are ultimately responsible for our fundraising activity and so review and approve the strategy and budget each year. The Director of Income Generation reports to the Board of Trustees through the quarterly Fundraising and Communications sub-committee and at the full Board meetings on performance and any relevant issues.

As well as fundraisers who are either employed by, or volunteer for, the Hospice we currently have arrangements with the following commercial participators/professional fundraisers:

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Organisation	Type	Nature of relationship	How we oversee and monitor their work
Furness Building Society	Commercial participator	Charity Affinity account	Contract in place. Regular monitoring and reviews.
Integrated Promotions	Professional fundraiser	Provision of canvassing services	Contract in place. Licenced and regulated by the Gambling Commission. Bound by the Code of Practice of the Fundraising Regulator. Regular training and updates for canvassers. Regular communication, feedback and meetings. Quality monitoring. Complaints procedure in situ.
Skyline	Commercial participator	Provider of Overseas treks	Contract in place. Regular communication, feedback and meetings. ATOL Protection 10069.
Global Adventure Challenges	Commercial participator	Provider of Overseas treks	Contract in place. Regular communication, feedback and meetings. ATOL Protection 6506.

To ensure that we protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches, and undue pressure to donate:

- We are registered with the Fundraising Regulator and committed to adhering to all recognised standards in relation to our fundraising activity
- Staff ensure that all fundraising activity complies with the Fundraising Regulator's Code of Fundraising Practice and the Fundraising Promise
- Staff are trained in their responsibilities in relation to fundraising regulation and legislation upon induction and periodically thereafter as required. Volunteers are also trained in compliance where necessary for their role
- In line with GDPR and the Fundraising Preference Service we promptly action any requests for removal from our mailing lists by amending their contact preferences.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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- We do not sell or pass on the data of any of our donors and supporters to any third parties under any circumstances
 - We comply with all the fundraising requirements of the General Data Protection Regulation
 - We only use professional fundraising agencies who can demonstrate a track record of best practice in the sector and compliance with the Fundraising Regulator's code of conduct.

In addition we have a Risk Management Policy so as to minimise or, as far as it reasonably practicable, eliminate any risks to patients, staff, volunteers, supporters, members of the public or the organisation's reputation in relation to our fundraising activity. Staff identify and assess risks and put any necessary preventative controls in place.

During the 2020-2021 financial year we received 2 minor operational complaints about our fundraising and retail activity. All concerns have been satisfactorily addressed through the risk management procedures of the Hospice.



PLANS FOR THE FUTURE

The pandemic has not stopped the Board of Trustees making plans for the Hospice's future. In the past 12 months, Trustees have conducted a skills gap analysis of the Board and recruited new Trustees with relevant skills and knowledge that will support our strategic aims. Our three strategic projects for the current year are:

The Development of the Forget Me Not Centre

As mentioned previously, thanks to a significant donation from a major donor, in December 2021 we are planning to open our new family and children bereavement centre in the last month of our 35th anniversary year. Research conducted with Lancaster University will underpin the structure of the service which seeks to support whole families pre and post bereavement.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021



Digital Transformation

During 2020/2021, the services of a Digital Consultant were employed to develop a strategy and work plan for the Hospice. Again, Covid-19 has proved to play a significant role in affecting the pace of this work. It is fair to say that, in the past year, our digital transformation journey has progressed at speed but there is still more to do. Digital transformation remains a strategic priority in the year ahead.

One Hospice – Bringing our team back together post-Covid-19

The past year has seen our close-knit team forced to work separately in “bubbles” due to Covid restrictions. The Board are keen for the SMT to bring teams back together quickly and effectively once final restrictions are lifted. We are hopeful that this work can begin in early July when the Trustees and senior management host an afternoon tea of thanks for the whole team. Beyond this date, a series of health and well-being initiatives are planned such as a day of Health checks and health MOTs, a focus on team continuous professional development and a Christmas “thank you” event.

FINANCIAL REVIEW

Reserves policy

At 31 March 2021 the Hospice's reserves comprise: -

Total funds	£12,893,013
--------------------	--------------------

Of which:

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Tangible fixed assets	£4,499,878
Funds to meet donation shortfall for building a dedicated family-centred bereavement centre	£256,100
Unallocated free reserves	£8,137,035

The Hospice could not do what it does without its dedicated team of around 200 skilled and professional staff. The Hospice seeks to employ managers and staff that have both the necessary skills and experience and the right values and attitudes to provide its very special service and it is their employment costs that make up the vast majority of the Hospice's running costs.

This year with so much uncertainty the Trustees have remained very mindful of the need to maintain sufficient reserves to meet the working capital needs of the Charity, fund unexpected expenditure and shortfalls in income and to allow appropriate and monitored service expansion. Furthermore to ensure the financial security of the Charity no new service developments are introduced unless the Trustees are confident that they are both affordable and sustainable. In addition we always consider the revenue consequences of any capital expenditure.

The Trustees monitor the level of reserves each quarter through the Finance and Resources sub-committee and continuously review its reserves policy. At a Board meeting on 5 June 2018 it was agreed that the Trustees adopt a policy of retaining unallocated free reserves to cover up to one year's full operating costs. Based on the Budget for 2021/2022 this amounts to £5m.

Unallocated free reserves at 31 March 2021 amounted to £8,137,035 which represents 19 months full operating costs.

Investment policy

The investment policy of the Charity is to ring fence monies held in respect of grants received in advance or required for known capital and major repair expenditure. Additional funds are invested in equities, gilts, fixed interest and property funds with the intention of covering future inflation in running costs.

The Charity has a policy to maintain reserves for the purposes given above. The reserves are to be invested for the long term in portfolios and financial instruments which the Trustees deem to represent an acceptable level of risk combined with the aim of providing a reasonable return on the funds.

Investment criteria:

- Capital preservation of adequate reserves for known and unforeseen shorter term needs
- Balance of reserves invested with the potential of growth above inflation over the longer term
- Avoidance of tobacco related investments.

An investment committee meets quarterly as part of the Finance and Resources sub-committee to review the Charity's investments.

The investment policy and performance of funds against the policy is reviewed at each meeting with investment managers instructed to carry out any recommended changes as to the investment instruments. The managers

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

TRUSTEES' ANNUAL REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

are instructed to keep a balanced portfolio to spread the risk and maximise capital growth without jeopardising revenue income.

The Trustees are satisfied with the performance of the investment portfolio over the period.

TRUSTEES' RESPONSIBILITIES

Trustees' responsibilities in relation to the financial statements

The Trustees are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England & Wales 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 Charity, and of the income and expenditure of the Charity, for that period. In preparing these financial statements, the Trustees are required to:

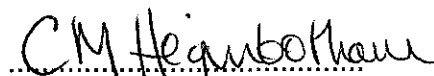
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Charity and enable them to ensure that the financial statements comply with the Charity's governing document, the Charities Act 2011, the Statement of Recommended Practice: Accounting and Reporting by Charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102) and UK Generally Accepted Accounting Practice.

AUDITORS

MHA Moore and Smalley have indicated their willingness to accept reappointment as auditors to the Charity.

The Trustees Report was approved on 7 September 2021 and was signed on behalf of the Trustees by:-



C Heginbotham
Chair – Board of Trustees

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

FOR THE YEAR ENDED 31 MARCH 2021

Opinion

We have audited the financial statements of St John's Hospice North Lancashire and South Lakes (the 'parent Charity') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated and charity statement of financial activities, the consolidated and charity balance sheets, the consolidated and charity cash flow statements 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 Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Charity's Trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the Charity's Trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the Charity's Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent Charity's affairs as at 31 March 2021, and of the group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the 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 financial statements section of our report. We are independent of the group and parent Charity 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 the charity'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.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

Other information

The other information comprises the information included in the trustees annual report, other than the 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 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 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the Trustees' report; or
- sufficient accounting records have not been kept; or
- the parent Charity's financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement, set out on page 18, the Trustees are responsible for the preparation of financial statements which give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent Charity'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 Charity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act.

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.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

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 is detailed below:

- Enquiries with the board about any known or suspected instances of non-compliance with laws and regulations, including fraud;
- Challenging assumptions and judgements made by the board in their significant accounting estimates, in particular in relation to provisions and future performance of the company in light of the impact of Covid-19;
- An evaluation of the risk of management override of controls and subsequent testing, including through testing journal entries and other adjustments for appropriateness; and
- An evaluation of the charity's internal control environment.

Because of the industry in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: Compliance with the Care Quality Commission requirements, Health and Safety, compliance with Gambling Commission rules, in particular holding the relevant lottery licence; employment law, and compliance with the UK Charities Act.

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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or Charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent Charity to cease to continue as a going concern.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

INDEPENDENT AUDITORS REPORT TO THE TRUSTEES OF ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



MHA Moore and Smalley
Chartered Accountants and Statutory Auditor

Priory Close
St Mary's Gate
Lancaster
LA1 1XB

07/10/2021

MHA Moore and Smalley is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	3	1,423,254	-	1,423,254	1,534,267
Charitable activities	4	1,960,929	-	1,960,929	1,835,053
Other trading activities	5	1,230,952	161,133	1,392,085	2,360,027
Investments	6	88,104	-	88,104	113,432
Other	7	559,204	1,481,088	2,040,292	183,095
Total		5,262,443	1,642,221	6,904,664	6,025,874
Expenditure on:					
Charitable activities	9	2,547,726	1,642,221	4,189,947	4,264,463
Raising funds	10	1,223,596	-	1,223,596	1,506,881
Total		3,771,322	1,642,221	5,413,543	5,771,344
Net income before other recognised gains		1,491,121	-	1,491,121	254,530
Other recognised gains					
Gains on disposal of investments		137,668	-	137,668	33,583
Gains/(losses) on revaluation of investments		502,206	-	502,206	(255,128)
Net movement in funds		2,130,995	-	2,130,995	32,985
Reconciliation of funds:					
Total funds brought forward		10,707,772	-	10,707,772	10,674,787
Total funds carried forward	26	12,838,767	-	12,838,767	10,707,772

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CHARITY STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 2021

	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
Income from:				
Donations and legacies	1,423,254	-	1,423,254	1,534,267
Charitable activities	1,960,929	-	1,960,929	1,835,053
Other trading activities	1,139,816	161,133	1,300,949	1,526,315
Investments	88,054	-	88,054	113,280
Other	283,044	1,481,088	1,764,132	110,951
Total	4,895,097	1,642,221	6,537,318	5,119,866
Expenditure on:				
Charitable activities	2,544,459	1,642,221	4,186,680	4,260,727
Raising funds	581,758	-	581,758	729,462
Total	3,126,217	1,642,221	4,768,438	4,990,189
Net income before other recognised gains	1,768,880	-	1,768,880	129,677
Other recognised gains				
Gains on disposal of investments	137,668	-	137,668	33,583
Gains/(losses) on revaluation of investments	502,206	-	502,206	(255,128)
Net movement in funds	2,408,754	-	2,408,754	(91,868)
Reconciliation of funds:				
Total funds brought forward	10,484,259	-	10,484,259	10,576,127
Total funds carried forward	12,893,013	-	12,893,013	10,484,259

All income and expenditure derive from continuing activities.

All gains and losses recognised in each period are included above.

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

CONSOLIDATED BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	15	4,501,578		4,424,891	
Intangible assets	16	-		-	
Investments	17	4,096,242		3,337,356	
			8,597,820		7,762,247
Current assets					
Stock		8,159		8,628	
Debtors	18	608,495		706,718	
Cash at bank and in hand		3,787,181		2,765,145	
Cash held with investment managers		134,838		184,764	
			4,538,673		3,665,255
Creditors: amounts falling due within one year	19	(297,726)		(719,730)	
Net current assets			4,240,947		2,945,525
Total assets less current liabilities			12,838,767		10,707,772
Net assets			12,838,767		10,707,772
Funds:					
Restricted funds	24	-		-	
Unrestricted funds	26	12,838,767		10,707,772	
Total funds			12,838,767		10,707,772

These accounts were approved by the Trustees and authorised for issue on 7 September 2021 and are signed on their behalf by:


C Heginbotham
Chair – Board of Trustees


M Cullinan
Chairman – Finance and Resources Committee

The notes on page 28 to 48 form part of these financial statements.

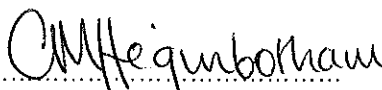
ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES


CHARITY BALANCE SHEET

AS AT 31 MARCH 2021

		2021		2020
		£	£	£
Fixed assets				
Tangible assets	15	4,499,878		4,418,407
Investments	17	4,166,245		3,407,359
		8,666,123		7,825,766
Current assets				
Stock		650		1,017
Debtors	18	752,012		973,295
Cash at bank and in hand		3,631,146		2,226,164
Cash held with investment managers		134,838		184,764
		4,518,646		3,385,240
Creditors: amounts falling due within one year	19	(291,756)		(726,747)
Net current assets		4,226,890		2,658,493
Total assets less current liabilities		12,893,013		10,484,259
Net assets		12,893,013		10,484,259
Funds:				
Restricted funds	24	-		-
Unrestricted funds	26	12,893,013		10,484,259
Total funds		12,893,013		10,484,259

These accounts were approved by the Trustees and authorised for issue on 7 September 2021 and are signed on their behalf by:


C Heginbotham
Chair – Board of Trustees


M Cullinan
Chairman – Finance and Resources Committee

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

GROUP AND CHARITY CASH FLOW STATEMENT

AS AT 31 MARCH 2021

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash generated in operating activities	1,167,648	140,042	1,550,644	73,901
Cashflows from investing activities				
Investment income	88,104	113,432	88,054	113,280
Purchase of tangible fixed assets (including investments)	(1,501,428)	(604,082)	(1,501,428)	(604,082)
Receipts from sale of investments	1,217,786	404,894	1,217,786	404,894
Cash provided by/(used in) investing activities	972,110	54,286	1,355,056	(12,007)
Increase/(Decrease) in cash and cash equivalents in the year	972,110	54,286	1,355,056	(12,007)
Cash and cash equivalents b/fwd	2,949,909	2,895,623	2,410,928	2,422,935
Cash and cash equivalents c/fwd	3,922,019	2,949,909	3,765,984	2,410,928
Reconciliation of net movement in funds to net cashflow from operating activities				
Net movement in funds	1,491,121	254,530	1,768,880	129,677
Investment income received	(88,104)	(113,432)	(88,054)	(113,280)
Depreciation and amortisation	87,943	77,921	83,159	70,333
(Increase)/Decrease in stock	469	1,077	367	574
(Increase)/Decrease in debtors	98,223	(536,423)	221,283	(490,789)
Increase/(Decrease) in creditors	(39,154)	56,778	(52,141)	77,795
Increase/(Decrease) in deferred income	(382,850)	399,591	(382,850)	399,591
Net cash generated in operating activities	1,167,648	140,042	1,550,644	73,901
Components of cash and cash equivalents				
Cash at bank and in hand	3,787,181	2,765,145	3,631,146	2,226,164
Cash held with investment managers	134,838	184,764	134,838	184,764
	3,922,019	2,949,909	3,765,984	2,410,928

The notes on page 28 to 48 form part of these financial statements.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Basis of accounting

St John's Hospice North Lancashire and South Lakes is a charitable incorporated organisation (CIO) registered in the United Kingdom. The address of the CIO, the nature of its operations and its principal activities are all detailed in the Trustees' report of these financial statements.

The CIO constitutes a public benefit entity as defined by FRS102. The financial statements have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102) and the Charities Act 2011 and UK Generally Accepted Practice.

The financial statements have been prepared on a going concern basis under the historical cost convention. The financial statements are prepared in sterling which is the functional currency of the Charity.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair' view. This departure has involved following Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standards applicable in the UK and Republic of Ireland (FRS102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The consolidated accounts of the group incorporate the accounts of St John's Hospice North Lancashire and South Lakes ("the Charity") and its three wholly owned subsidiary undertakings, St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited. The results of these subsidiaries are consolidated on a line by line basis.

Income

Income including donations and gifts receivable is credited to the Statement of Financial Activities in the period in which it is receivable.

Legacies are regarded as receivable once probate has been granted, there is sufficient evidence regarding the certainty of the receipt and there is a sufficiently reliable measurement of the amount in accordance with the recognition criteria of the SORP. In practice this is rarely before the receipt of a letter advising of an intended payment or transfer. Interim receipts are treated as being receivable on receipt. Where legacies have been notified to the Charity, or the Charity is aware of 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 in note 3.

Funding received in advance including grants are treated as deferred income where the funding agency requires an ongoing service to be provided by expenditure in the future period to which the funding relates.

Other income includes income from NHS England and other support from the UK government including under the Coronavirus Job Retention Scheme (CJRS) to support the charity following the impact of COVID-19.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Expenditure

Expenditure is recognised on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Expenditure is categorised under the following headings:

- Expenditure on the provision of Hospice services and associated service costs
- Expenditure on raising funds

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

Donated services and facilities

Donated services and facilities are recognised as income when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit is probable and that economic benefit can be reliably measured. In accordance with SORP (FRS 102) no amounts are included in the financial statements for services donated by volunteers.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the Charity which is the amount the Charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure on period of receipt.

Fixed assets

Fixed assets are stated at cost less depreciation. Potential capital items with a cost of less than £2,000 or items that are deemed to have no value once in use by the Hospice are expensed through the Statement of Financial Activities. Fixed assets are depreciated on a straight line basis over their anticipated useful lives.

Freehold land and buildings	-	1% per annum
Motor vehicles	-	25% per annum
Fixtures and equipment	-	20% per annum

Freehold land and buildings includes non-depreciable land, the cost of which is not considered material.

Intangible assets

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Goodwill in subsidiary	-	5 years straight line
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Investments

Investments are shown at their market value on the date of the balance sheet. Gains and losses on disposal and revaluation of assets are charged or credited to the Statement of Financial Activities.

Investments in subsidiaries are held at cost less amounts written off.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Stock

Stocks consist of shop items purchased for resale and are stated at the lower of cost and net realisable value. The Charity adopts a cost formula of FIFO.

Debtors and creditors within one year

Debtors and creditors with no stated interest rate and receivable and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

Pensions

The Hospice operates a defined contribution scheme. Contributions are charged in the Statement of Financial Activities as they become payable in accordance with the rules of the scheme.

Certain eligible employees are members of the National Health Service Superannuation Scheme. Contributions to this are also charged in the Statement of Financial Activities as they become payable (see note 23).

Fund accounting

Unrestricted funds - general funds are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Restricted funds - restricted funds arise where there is a donor imposed restriction on the use of the funds, or the funds have arisen in response to an appeal for a specific purpose.

Designated funds - designated funds are unrestricted funds set aside by the Trustees for particular purposes.

Transfers are made from Restricted to Unrestricted funds where the expenditure has been fully made in accordance with the objects of the fund.

Cash and cash equivalents

Cash balances comprise amounts held on deposit with recognised banks and building societies.

Operating leases

Rentals applicable to operating leases are charged to the Statement of Financial Activities over the period in which the cost is incurred.

Taxation

The Charity is exempt within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charity for UK corporation tax purposes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Going concern

Prior to the approval of these accounts there has been a reduction in the measures taken within society to combat the Covid-19 pandemic. However, the Hospice still continues to adhere to Public Health Guidance in relation to Covid-19 measures and is reducing measures more slowly. The Trustees believe that no material uncertainties exist and have prepared the financial statements on a going concern basis. The Trustees have considered the level of funds held and the expected level of income and expenditure for 19 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the Charity to be able to continue as a going concern.

Financial instruments

The Charity has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the Charity's balance sheet when the Charity becomes party to contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in the statement of comprehensive income.

De-recognition of financial assets

Financial assets are de-recognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Charity transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies (continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Charity after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Financial liabilities classified as payable within one year are not amortised. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

Financial liabilities are de-recognised when the Charity's contractual obligations expire or are discharged or cancelled.

2 Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key assumptions, judgements and estimates

In the opinion of the Trustees' there have been no significant judgements (apart from those involving estimates) made in the process of applying the above accounting policies.

There have been no key assumptions concerning future and other key 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 financial year.

The Charity's key estimates are considered to be depreciation charges which are explained in the fixed asset policy on page 29.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Income from donations and legacies

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
General donations	676,164	-	676,164	455,565
Gift aid	122,252	-	122,252	152,402
Unconditional grants	13,965	-	13,965	84,262
Legacies	610,873	-	610,873	842,038
	1,423,254	-	1,423,254	1,534,267

Certain gifts are received with a request that the money be spent on specific items of equipment or for specific revenue purposes. The amounts so received are included in income and the cost of the related expenditure in the relevant category of expenditure. It is the Trustees' policy to spend all such gifts for the purpose requested.

At the period end, the Trustees had been notified of legacies approximating £553,600 which do not meet the criteria for inclusion in these financial statements under SORP (FRS 102) which is further explained in the accounting policies on page 28.

All income from donations and legacies in the comparative period was unrestricted.

4 Income from charitable activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
NHS core funding	1,138,939	-	1,138,939	1,201,063
NHS specific projects	700,722	-	700,722	580,591
Non-NHS income	121,268	-	121,268	53,399
	1,960,929	-	1,960,929	1,835,053

Income from charitable activities is spent in accordance with the terms of the agreement or contract under which it is received.

All income from charitable activities in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Income from other trading activities

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Fundraising events	451,719	-	451,719	618,860
Conditional grants	-	161,133	161,133	109,701
Lottery income	420,528	-	420,528	359,869
Retail activities	358,696	-	358,696	1,086,321
Café income	9	-	9	185,276
	1,230,952	161,133	1,392,085	2,360,027

Conditional grant income of £109,701 in the comparative period represented restricted income. All other income was unrestricted.

6 Income from investments

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
Bank and investment interest receivable	5,521	-	5,521	15,597
Interest on Government securities and dividends received	82,583	-	82,583	97,835
	88,104	-	88,104	113,432

All income from investments in the comparative period was unrestricted.

7 Other income

	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
NHSE funding	-	1,481,088	1,481,088	-
CJRS income	428,875	-	428,875	-
Retail grants	113,180	-	113,180	170,000
Other income	17,149	-	17,149	13,095
	559,204	1,481,088	2,040,292	183,095

All other income in the comparative period was unrestricted.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Income from subsidiaries' trading activities

	2021	2020
	£	£
St John's Hospice Shops Limited (Company No. 02490956)		
Turnover	247,834	744,246
Cost of sales	(445,008)	(476,658)
Gross profit	(197,174)	267,588
Administration costs	(173,162)	(238,583)
Other operating income	265,290	177,805
Operating profit	(105,046)	206,810
Interest receivable	50	152
Profit before charitable donation	(104,996)	206,962
Assets	178,156	549,169
Liabilities	(170,057)	(333,039)
Share capital and reserves	8,099	216,130
St John's Hospice Lancaster Limited (Company No. 07216444)		
	£	£
Turnover	22,880	64,880
Cost of sales	(8,863)	(28,699)
Gross profit	14,017	36,181
Administration costs	(1,069)	(1,299)
Operating profit	12,948	34,882
Profit before charitable donation	12,948	34,882
Assets	14,049	35,983
Liabilities	(1,100)	(1,100)
Share capital and reserves	12,949	34,883

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Income from subsidiaries trading activities (continued)

	2021	2020
St John's Hospice Shops Catering (Company No. 10911525)	£	£
Turnover	9	183,154
Cost of sales	(18,020)	(137,030)
Gross profit	(18,011)	46,124
Administration costs	(2,983)	(5,744)
Other operating income	10,870	2,122
Operating profit	(10,124)	42,502
Profit before charitable donation	(10,124)	42,502
Assets	4,593	179,646
Liabilities	(9,884)	(137,143)
Share capital and reserves	(5,291)	42,503

The results presented above represent the results for the wholly owned subsidiaries for the year to 31 March 2021.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

9 Expenditure on charitable activities

Activity	Provision of Hospice Services £	Total 2021 £	Total 2020 £
Staffing costs	3,472,548	3,472,548	3,555,867
Non salary costs of employment	44,747	44,747	41,935
Medical supplies, equipment and services costs	155,229	155,229	140,912
Food and nutrition	18,588	18,588	75,336
Transport	11,310	11,310	23,501
Premises	123,199	123,199	114,165
Depreciation	83,159	83,159	70,333
Utilities	74,019	74,019	75,102
Management and professional costs	92,640	92,640	59,717
Admin and support costs	94,003	94,003	64,862
Education costs	11,988	11,988	33,682
Audit fees	8,517	8,517	9,051
	4,189,947	4,189,947	4,264,463

Of the above expenditure £1,642,221 (2020: £109,701) is made against restricted income funds. All other expenditure was unrestricted.

10 Expenditure on raising funds

	Total 2021 £	Total 2020 £
Staffing costs	787,481	830,082
Fundraising costs	79,887	190,575
Lottery costs	61,718	91,838
Investment manager costs	13,152	14,389
Shop purchases	8,863	28,699
Transport	25,592	12,780
Premises	15,202	18,198
Depreciation	4,784	4,785
Utilities	25,526	45,832
Rent	125,995	160,683
Professional costs	13,117	13,752
Admin and support	9,725	21,334
Other costs	52,554	73,934
	1,223,596	1,506,881

All expenditure on raising funds was unrestricted in the current and prior year.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

11 Net (income)/expenditure

	2021	2020
	£	£
Net income is stated after charging/(crediting):		
Depreciation	87,943	75,118
Auditor's remuneration - audit of the financial statements	8,517	9,051

12 Analysis of staff costs and the cost of key management personnel

Total staff costs were as follows:	Total 2021 £	Total 2020 £
Wages and salaries	3,625,918	3,683,260
Social security costs	289,014	289,137
Pension costs	345,807	364,819
Bought in services	(710)	48,733
	4,260,029	4,385,949

Bought in services are in respect of staff employed by the NHS Trust and other agencies whose services are commissioned via contracts and service level agreements.

The disciplines covered are locum doctors, relief cooks, cleaners, and accounts staff.

Included within wages and salaries is £9,282 (2020: £nil) of redundancy severance payments.

Excluding the costs of staff recharged, the remuneration of employees who received employee benefits more than £60,000 is as follows:

	2021 No	2020 No
£60,000 - £70,000	1	-
£80,000 - £90,000	-	1
£90,000 - £100,000	2	1

The total amount of employee benefits received by key management personnel, as determined by the Charity, is £99,773 (2020: £94,929) during the current period.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Analysis of staff costs and the cost of key management personnel (continued)

Particulars of employees:

The average number of permanent employees paid directly by the Hospice during the year, calculated on the basis of full-time equivalents, was as follows:

	2021 No	2020 No
Doctors	3	3
Nurse practitioners and nurse management	2	2
Inpatient unit	31	32
Hospice at home	18	16
Day hospice	1	2
Family support and spiritual	3	3
Complimentary therapists	1	1
Clinical nurse specialists	5	5
Quality and development	4	4
Education	3	3
Administrative and HR	6	6
Domestic and maintenance	5	7
Finance	3	4
Catering and ward hospitality	5	8
Marketing and communication	3	2
Fundraising	29	36
Physiotherapy and occupational therapy	2	3
Volunteers	1	2
Lottery	1	1
	126	140

Total head count staff numbers for the year was 160 (2020: 189).

The number of employees does not include the considerable number of unpaid voluntary helpers to whom the Trustees are indebted nor those who are employed by third parties and to which the Charity contributes.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Analysis of staff costs and the cost of key management personnel (continued)

Total staff costs are analysed further as follows:

	Total 2021 £	Total 2020 £
Doctors	286,809	290,393
Nurse practitioners and nurse management	143,952	136,894
Inpatient unit	1,125,397	1,036,048
Hospice at home	541,542	493,765
Day hospice	26,844	86,331
Family support and spiritual	81,816	81,205
Complimentary therapists	18,916	22,861
Clinical nurse specialists	251,180	232,412
Quality and development	87,582	124,779
Education	75,369	114,777
Administrative and HR	261,562	263,307
Domestic and maintenance	125,371	133,869
Finance	115,136	116,897
Catering and ward hospitality	146,157	194,829
Marketing and communication	95,055	70,161
Fundraising	757,818	801,507
Physiotherapy and occupational therapy	44,941	104,289
Volunteers	44,919	53,050
Lottery	29,663	28,575
	4,260,029	4,385,949

13 Trustee remuneration and related party transactions

No remuneration is paid to any Trustees in their capacity as Trustees.

No travel and related expenses were reimbursed to any Trustees during the period. Insurance costs included £3,018 (2020: £2,515) insurance premium paid for Trustees and Officer Insurance.

No trustee of other person related to the Charity had any personal interest in any contract of transaction entered into by the Charity during the period. No material donations were made by Trustees to the Charity.

There was no ultimate controlling party during the current or prior period.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14 Taxation

St John's Hospice North Lancashire and South Lakes is a registered charity, number 1157030. All the Charity's income is applied to its charitable objectives and the Charity is therefore exempt under current legislation from most forms of taxation. Value added tax on expenditure that cannot be recovered is included in the cost of the expenditure on which it is charged.

15 Tangible fixed assets

Group	Land and Buildings £	Assets under Construction £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost					
At 1 April 2020	5,543,384	-	98,763	780,057	6,422,204
Additions	-	105,748	18,305	40,577	164,630
Disposals	-	-	-	(63,125)	(63,125)
At 31 March 2021	5,543,384	105,748	117,068	757,509	6,523,709
Depreciation					
At 1 April 2020	1,150,435	-	88,557	758,321	1,997,313
Charge for the year	56,491	-	13,408	18,044	87,943
Eliminated on disposals	-	-	-	(63,125)	(63,125)
At 31 March 2021	1,206,926	-	101,965	713,240	2,022,131
Net book value					
At 31 March 2021	4,336,458	105,748	15,103	44,269	4,501,578
At 1 April 2020	4,392,949	-	10,206	21,736	4,424,891
Charity					
	Land and Buildings £	Assets under Construction £	Motor Vehicles £	Fixtures & Equipment £	Totals £
Cost					
At 1 April 2020	5,543,384	-	64,213	754,894	6,362,491
Additions	-	105,748	18,305	40,577	164,630
Disposals	-	-	-	(63,125)	(63,125)
At 31 March 2021	5,543,384	105,748	82,518	732,346	6,463,996
Depreciation					
At 1 April 2020	1,150,435	-	59,147	734,502	1,944,084
Charge for the year	56,491	-	9,296	17,372	83,159
Eliminated on disposals	-	-	-	(63,125)	(63,125)
At 31 March 2021	1,206,926	-	68,443	688,749	1,964,118
Net book value					
At 31 March 2021	4,336,458	105,748	14,075	43,597	4,499,878
At 1 April 2020	4,392,949	-	5,066	20,392	4,418,407

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

16 Intangible fixed assets

Group

	Goodwill £
Cost	
At 1 April 2020	28,021
Disposals	(28,021)
At 31 March 2021	-
Amortisation	
At 1 April 2020	28,021
Disposals	(28,021)
At 31 March 2021	-
Net book value	
At 31 March 2021	-
At 1 April 2020	-

17 Fixed asset investments

Group

	2021 £	2020 £
Valuation		
Balance brought forward	3,337,356	3,564,844
Acquisitions at cost	1,336,798	398,951
Receipts for sale of investments	(1,217,786)	(404,894)
Realised gains on sale of investments	137,668	33,583
Unrealised gains/(losses) on investments	502,206	(255,128)
Total investments	4,096,242	3,337,356

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,097,465	1,831,492
Overseas listed equities and fixed interest securities	1,410,212	1,128,932
COIF property fund and other property investments	588,565	376,932
	4,096,242	3,337,356

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Fixed asset investments (continued)

Charity	2021 £	2020 £
Investment in subsidiary undertakings		
2 shares in St John's Hospice Shops Limited	70,001	70,001
1 share in St John's Hospice Lancaster Limited	1	1
1 share in St John's Hospice Catering Limited	1	1
	70,003	70,003
Other investments at Valuation		
Balance brought forward	3,337,356	3,564,844
Acquisitions at cost	1,336,798	398,951
Receipts for sale of investments	(1,217,786)	(404,894)
Realised gains on sale of investments	137,668	33,583
Unrealised gains/(losses) on investments	502,206	(255,128)
	4,096,242	3,337,356
Total investments	4,166,245	3,407,359

Total investments comprise the following type of investments:

UK listed equities and fixed interest securities	2,097,465	1,831,492
Overseas listed equities and fixed interest securities	1,410,212	1,128,932
COIF property fund and other property investments	588,565	376,932
Investments in subsidiary undertakings	70,003	70,003
	4,166,245	3,407,359

St John's Hospice Shops Limited, St John's Hospice Lancaster Limited and St John's Hospice Catering Limited are all wholly owned subsidiaries of the Charity. The principal activities of the former two companies are the operation of retail charity shops selling donated and new goods respectively, with the latter being the operation of a café and event catering. All exist to further the activities of St John's Hospice North Lancashire and South Lakes.

18 Debtors

Group	2021 £	2020 £
Management debtors	496,574	452,548
Prepayments	38,492	189,724
Taxation recoverable	33,956	35,355
VAT recoverable	39,473	29,091
	608,495	706,718

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

18 Debtors (continued)

Charity	2021 £	2020 £
Management debtors	496,574	452,206
Prepayments	13,347	14,985
Taxation recoverable	33,956	35,355
Amounts due from subsidiary undertakings	170,915	451,302
VAT recoverable	37,220	19,447
	752,012	973,295

19 Creditors: amounts falling due within one year

Group	2021 £	2020 £
Management creditors	18,868	37,661
Taxation and social security	87,636	77,657
Accruals	54,368	34,878
Lottery members	37,321	42,821
Other creditors	20,047	64,377
Deferred income (note 20)	79,486	462,336
	297,726	719,730

Charity	2021 £	2020 £
Management creditors	18,868	37,661
Taxation and social security	87,636	72,022
Accruals	44,339	23,548
Amounts due to subsidiary undertakings	4,059	26,900
Lottery members	37,321	42,821
Other creditors	20,047	61,459
Deferred income (note 20)	79,486	462,336
	291,756	726,747

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

20 Deferred income

	2021 £	2020 £
Balance brought forward	462,336	62,745
Event and course fees received in advance	29,980	34,052
Grants received in advance	29,300	410,503
Release of deferred income	(442,130)	(44,964)
	79,486	462,336

21 Commitments under operating leases

	2021 Land and Buildings £	2021 Other £	2020 Land and Buildings £	2020 Other £
Within 1 year	94,438	11,334	100,750	11,334
Within 2 to 5 years	93,625	18,959	188,063	30,293
After more than 5 years	-	-	-	-
	188,063	30,293	288,813	41,627

22 Capital commitments

There were no capital commitments at the balance sheet date.

23 Pension schemes

The Hospice operates two pension schemes:

- A defined contribution group personal pension scheme. Contributions to the scheme are charged in the Statement of Financial Activities when payable.
- For certain eligible employees a defined benefit pension scheme. The assets of the scheme are held separately by the National Health Service Superannuation Scheme. Contributions are charged in the Statement of Financial Activities as they become payable. This pension scheme does not have a real pension fund but, as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer which meets the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employers. As a result of the nature of the pension scheme there are no separately identifiable assets and liabilities which can be identified as relating to St John's Hospice, therefore as permitted by FRS 102, the scheme has been accounted for as a defined contribution scheme.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

24 Analysis of restricted funds: current year

	At 1 April 2020 £	Income £	Expenditure £	Transfers £	At 31 March 2021 £
Restricted funds					
Fundraising grants	-	161,133	(161,133)	-	-
NHSE funding	-	1,481,088	(1,481,088)	-	-
Total funds	-	1,642,221	(1,642,221)	-	-

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.

25 Analysis of restricted funds: prior year

	At 1 April 2019 £	Income £	Expenditure £	Transfers £	At 31 March 2020 £
Restricted funds					
Fundraising grants	-	109,701	(109,701)	-	-
Total funds	-	109,701	(109,701)	-	-

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

26 Analysis of net assets between funds : current year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	256,100	-	256,100
General funds	4,501,578	4,096,242	3,984,847	-	12,582,667
Total funds	4,501,578	4,096,242	4,240,947	-	12,838,767

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	256,100	-	256,100
General funds	4,499,878	4,166,245	3,970,790	-	12,636,913
Total funds	4,499,878	4,166,245	4,226,890	-	12,893,013

Designated funds consist of amounts set aside by the Trustees to undertake specific projects within the next 12 months designed to meet a donation shortfall for building a dedicated family-centred bereavement centre.

ST JOHN'S HOSPICE NORTH LANCASHIRE AND SOUTH LAKES

NOTES TO THE ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

27 Analysis of net assets between funds: prior year

Group	Tangible & intangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	264,199	-	264,199
General funds	4,424,891	3,337,356	2,681,326	-	10,443,573
Total funds	4,424,891	3,337,356	2,945,525	-	10,707,772

Charity	Tangible fixed assets £	Fixed asset investments £	Net current assets £	Long term liabilities £	Total £
Unrestricted funds					
Designated funds	-	-	264,199	-	264,199
General funds	4,418,407	3,407,359	2,394,294	-	10,220,060
Total funds	4,418,407	3,407,359	2,658,493	-	10,484,259