

Registered Charity Number: 1076958

Company Number: 03809663

Bluebell Wood Children's Hospice

(A Company Limited by Guarantee)

Trustees' Report and Financial Statements

for the year ended 31 March 2022



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Bluebell Wood Children's Hospice

Charity Information

Trustees

D Wilkin (Chair)	
S Allen	
C Davies	Resigned (14 September 2022)
A Fowlie	Resigned (9 December 2022)
S Hall	
A Skelton	Resigned (25 January 2022)
R Thomas	
R Worth	
J Wenninger	Resigned (23 July 2021)
L Beaumont	Appointed (1 December 2022)
R Chapman	Appointed (1 December 2022)
N Didlock	Appointed (1 January 2023)

Secretary

S Hills	Resigned (21 December 2021)
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Senior Leadership Team

S Hills	CEO (resigned 21 December 2021)
S Keeton	Interim CEO (appointed 1 Sept 2021 & resigned 31 May 2022)
S Wood	Director of Care (resigned 31 October 2021)
S Hawkhead	Director of Care (appointed 1 December 2021 & resigned 31 May 2022)
N Marriott	Director of People and Operations

Registered charity number

1076958

Company number

03809663

Principal and registered office

Bluebell Wood Children's Hospice
Cramfit Road
North Anston
Sheffield
S25 4AJ

Auditor

Azets Audit Services Limited
33 Park Place
Leeds
LS1 2RY

Bankers

The Royal Bank of Scotland plc
15 St Sepulchre Gate
Doncaster
DN1 1TF

Barclays Bank
1 St Pauls Place
121 Norfolk Street
Sheffield
S1 2JW

Investment Managers

Investec
Beech House
61 Napier Street
Sheffield
S11 8HA

Bluebell Wood Children's Hospice

Trustees' Report for the year ended 31 March 2022

The Trustees and members present their report, which incorporates the requirements of the Strategic Report, and the audited financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" (FRS 102) in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

The Charity Information page forms part of this report.

Objectives and activities

Bluebell Wood Children's Hospice was founded in 1998. We are a UK registered charity and a limited company. Bluebell Wood Trading Company Limited was set up in 2004. The current objectives are as follows:

The relief of sickness, suffering and disability in the North of England, Midlands, and adjacent areas in particular:

1. To provide medical, material, emotional, educational, and spiritual care for and accommodation for children and young people suffering from life shortening and life-threatening illnesses and conditions.
2. To support the needs of members of the families of such children and young people as are occasioned by the sickness, disability or death of such children and young people in particular needs of counselling and accommodation.
3. To promote, carry out, or take part in research into palliative or other care for any terminal or chronic sickness or disability which may affect children and young people and to publish the useful results of such research.
4. To promote, encourage, provide or assist in the teaching or training of doctors, nurses, physiotherapists, administrators, social workers and other persons engaged in any branch of medicine, surgery, nursing or allied services.

Financial Review

This report covers our financial review for 2021-2022, and we are proud to say that for every £1 that is given to us through donations and fundraising activities, 70p is spent on providing care and charitable activities to children and families going through unimaginably tough times.

Overall, our income for this period has decreased by £1,625k (-28%) to a total of £4.1 million (2021 - £5.7m). £900k of this relates to a decrease in legacy income (-40%) due to receiving a large donation in 2020/21. Our donations/fundraising saw a £200k (+22%) increase in the year due to the strengthening of the fundraising team. Government funding decreased by £600k (-85%) decrease as funding for Covid/Furlough stopped during the year. Charity shop income shows a £100k increase (+50%), however, the 2021/22 year isn't comparable as the shops were shut due to Covid.

Over the same period total expenditure has decreased by £178k to £4.3 million (2021 - £4.5m). Wages and associated staff costs have decreased by £59k (-1.9%). Although there were no significant purchases during the year there was an increase in premises and facilities costs of £91k (+41.7%) due to repairs and maintenance requirements on the building.

In 2021/22 we received £361k (2021: £270k) of our funding from NHS England, £180k (2021: £617K) from local NHS commissioning bodies, local authorities, and government, £57k (2021: £461k) from Hospice UK Covid 19 emergency funding and £22k (2021: £265k) from the CJRS furlough scheme. This represents 15% of our total income, meaning over 85% of our income is generated through our fundraising and charity shops.

In 2021-22 we received donations and legacies income of £1.833m (2021: £3.165m).

Bluebell Wood Children's Hospice

Trustees' Report for the year ended 31 March 2022

We make sure we have sufficient reserves to be able to run our services where there are fluctuations in income.

The table below shows our income over the past 5 years.

£'000	2018	2019	2020	2021	2022
Donations/Fundraising	2,000	1,900	1,600	900	1,100
Legacy	500	500	800	2,300	1,400
Charity shop trading	700	700	600	100	200
Care income	400	400	900	700	500
Events and other	200	500	200	200	100
Lottery	200	500	700	700	600
Investment income	200	100	200	100	100
Government Funding	-	-	-	700	100
	4,200	4,600	5,000	5,700	4,100

Where the money is spent

Our total expenditure on charitable activities for the year was £2.367m (2021: £2.452m) and £1.984m on raising funds (2021: £2.077m).

The next table shows the detail of our charitable activities spend over the past 5 years.

£'000	2018	2019	2020	2021	2022
Salaries	2,191	1,931	1,575	1,621	1,626
Facilities	146	195	130	146	113
Asset depreciation/ loss on disposal	217	170	171	236	191
Care supplies	57	-	110	39	110
Medical consultant and agency staff	144	301	209	200	147
Training and recruitment	54	68	68	78	44
Other	116	125	148	132	136
	2,925	2,790	2,411	2,452	2,367

Investment Policy and Performance

Investments are held with Investec Wealth & Investment. The aim is to achieve a level of return on the funds without significant risk. The investment portfolios are categorised:

- Investec Wealth & Investment fund 1 – low to medium risk
- Investec Wealth & Insurance fund 2 – low

Trustees maintain a cautious approach to investments and do not invest directly in companies they believe are in direct contravention of our aims and objectives as a charity.

Investment income realised a net gain of £128k, versus a previous year net gain of £139k. At the end of the financial period, the charity has consolidated listed investments, valued at £6.009m (2021: £6.167m) and cash and cash equivalents of £521k (2021: £241k).

Bluebell Wood Children's Hospice

Trustees' Report for the year ended 31 March 2022

Reserves policy

We aim to maintain sufficient free reserves to meet the ongoing running costs of the hospice for 9 - 12 months. This level of reserves makes sure we can cover any gap between funds raised and the ongoing costs as well as to cover for any emergency requirement for funding. The Group has £8.116m (Charity £8.1m, Trading £0k) (2021: £8.187m (Charity £8.7m, Trading -£520k)) of free reserves which provides us with a higher level of cover than the reserves policy, to support our running costs. This ensures we can provide a consistently high quality of service 24/7 and not have to adjust our service to match income flows. In the financial period the charity reviewed its reserves policy in line with the latest guidance from the Charity Commission to ensure that the Charity does not hold funds unnecessarily and above a level required, to meet the charities planned activities and to provide some protection against any unforeseen circumstances.

Risk Management

We have a risk management policy and risk register to enable the identification, monitoring and establishment of controls to mitigate risks. We assess the likelihood and potential impacts of risks and ensure controls are in place to mitigate against those risks. Trustee sub committees, Clinical Governance, Finance and Resources, and Remuneration and Nominations, consider risks on a quarterly basis as well as reviewing monitoring data for emerging trends or patterns to support risk management. The key risks are:

- **Fundraising income insufficient to cover the running costs of the hospice**
Our fundraising strategy, experienced team, and wide spread of types of fundraised income all mean we are not reliant on one type of income. We hold reserves in line with our Reserves policy.
- **Failure of care quality commission audit**
We were rated good at the last unannounced inspection, with an outstanding care rating. We have regular and robust reviews, audit, training, and compliance in place.
- **Inexperienced or insufficient team to care for the children and young people**
We pride ourselves on the strength of experience of our care. Training and development of specialists in children's palliative care is a key part of our strategy. We work closely with the local hospitals and have a consultant from Sheffield Children's Hospital as part of our team.
- **Safety of children and young people**
Safeguarding of people in our care is of utmost importance. The Care Quality Commission report stated that "The service was safe as the staff cared for the children and young adults and had a good understanding of the process to follow to protect and safeguard them from abuse and avoidable harm."

Achievements and performance

In 2021/22 we supported 289 children with life-threatening and life-shortening conditions and their families across South Yorkshire, North Nottinghamshire, North Derbyshire, and North Lincolnshire. This support included the acceptance of 65 new referrals, 477 nights (11448 hours) of respite at our hospice and 128 nights (3072 hours) of specialist end-of-life care.

Our vital services don't stop at the hospice doors, or with the death of a child. Alongside our work at the hospice, during 2021/22, we helped 82 families with counselling – 1,219 sessions both at the hospice and in families' own homes and delivered 80 short breaks in families' homes.

In 2021 – 2022 we also delivered:

384 hours of music therapy supporting 56 children
292 hours of sibling support supporting 69 siblings
1355 hours of family support sessions supporting 175 families.

Bluebell Wood Children's Hospice

Trustees' Report for the year ended 31 March 2022

Achievements and performance (continued)

Our motto is "Living with love and laughter" and every day we help families make the most of their time together; whether that's hours, days, weeks, months, or years. We do this at the hospice, in families' homes, at schools and in hospitals.

How did we do against our strategic aims and vision?

Our vision and strategic aims for 2018 to 2021 were as follows, the trustees are committed to producing updated strategic aims for the next 3 years:

- **Reach twice as many children and families.**
We remain committed to reaching more families who need us. We have recently commissioned a report into the provision of palliative care across our region looking at how we extend our service reach in the future.
- **Care for babies, children, young people, and their families; giving them the support they need in the way they want it.**
We work with the national Children and Young People Advanced Care Plan Collaborative and to the National Standards Framework for Children's Palliative Care. Our Family Support team provide a range of holistic wraparound services to support the whole family during their time with us.
- **We will have amazing people, with the knowledge, skills, and values to do the best for every family that needs us.**
Bluebell Wood, like the wider health and social care sector, has felt the impact of labour shortages in key worker roles. We vary our recruitment methods to attract the best possible candidates. We continue to recruit against our values, behaviours that underpin them and assess appropriate skills and competences for each role. We are proud of the team we have and how they work together to achieve a positive impact for children and families.
- **We will raise the money that we need, and always use it well.**
Our general approach is to raise funds ourselves and not to use third parties, unless for specific purposes. The only current exception is the use of a third-party lottery canvassing company, who comply with our standards of practice, and those of the Gambling Commission. We use techniques that are ethical, legal, do not inconvenience the public, and are not detrimental to our good name or standing in the local community. All fundraising activities undertaken follow the Fundraising Regulators Code of Fundraising Practice.
- **Inspire learning, good practice and innovation to improve children's palliative hospice care.**
We have remained committed to the Yorkshire and Humber Children's Palliative Care Network. This network is dedicated to improving palliative care across our region. We continue to develop our relationship with the Integrated Care System (ICS) in South Yorkshire and Bassetlaw, working collaboratively with commissioners from across the sub region to develop children's palliative care services. In the last twelve months, we've invested in our education team, appointing a Quality and Education Lead to further develop our internal education offer, and share our paediatric palliative care skills with professionals across our region.
- **We will tell everyone what a children's hospice is and can offer; and encourage people to use and support us.**
During this period, we had 370 pieces of press coverage in regional and national publications, with a total reach of 20,961,763 people. If we had paid for this coverage, this would have cost the hospice £952,500. We shared our key messages with over 353,915 people on our social media platforms each month and welcomed 111,172 unique visitors to our website (a 1.6% year on year increase).

We used our Google Ads grant to reach 452,884 people; 21,776 of whom clicked through to our website, a click through rate of 9.5%.

Bluebell Wood Children's Hospice

Trustees' Report for the year ended 31 March 2022

Working with and managing change

The year has been challenging in ways we couldn't have previously imagined. We continue to navigate the impact of the global Covid 19 pandemic, adapting operations and delivering services in line with government guidelines and restrictions. We are mindful of the impact these changes had on the children, young people and families supported by Bluebell Wood but we are also proud of our achievements during this extraordinary time. The hospice remained open for end of life and complex care, and staff worked tirelessly to develop and deliver virtual services from scratch, including physio support sessions, music therapy and counselling. The team also ensured every family had direct contact via phone or video calls. Children supported by Bluebell Wood and their siblings have received activity and care packages at several times since the pandemic began to keep them engaged, curious and entertained. We have been pleased to steadily increase services at each stage of Covid lockdown restrictions being eased.

In September 2021, the trustees took the difficult decision to close Bluebell Wood's retail operation and liquidate the trading company. The combined impact of high street retail pressures and prolonged closures because of the pandemic meant the shops were no longer financially viable. The decision was taken reluctantly by trustees but in the best interests of the charity as it wasn't appropriate to continue to support a business that was loss-making. Although retail sales only ever accounted for a small proportion of overall income, the shops were also a link with our communities, which we continue to maintain through community fundraising and other events.

On 31st May 2022 the trustees temporarily suspended clinical services in response to staffing levels across all clinical levels. Whilst clinical services were suspended, our Family Support team worked on an extensive programme of non-clinical activity. The hospice continued to support families in the following ways.

- Music therapy sessions
- Sibling support sessions
- Parent wellbeing workshops
- Counselling
- Activity fun sessions
- Music and craft sessions

We also took advantage of the temporary suspension to refresh, renew and update all areas of the hospice to improve family experience, including decorating the children's rooms in an autism-friendly colour palette and updating the technology in the rooms. Our communal areas were also refreshed, and we have updated the décor in our bathroom and spa pool, making these spaces more relaxing, and an improved sensory experience for children and young people. We resumed our clinical services on 19th December 2022, initially providing families with short overnight stays at the hospice, and community breaks in their own homes.

Volunteer contribution and commitment to Bluebell Wood remains high and is another source of pride and gratitude. There are over 300 volunteers registered with us, although a number have not been able to actively participate because of restricted access to and activity at the hospice during the pandemic. There are around 20 different types of volunteer roles across the organisation, ranging from activity co-ordinators, event photography, events, and gardening.

As we look forward to the year ahead, trustees are committed to developing a new strategy, work that has been delayed because of the impact of the pandemic and prioritising service continuity.

Bluebell Wood Children's Hospice

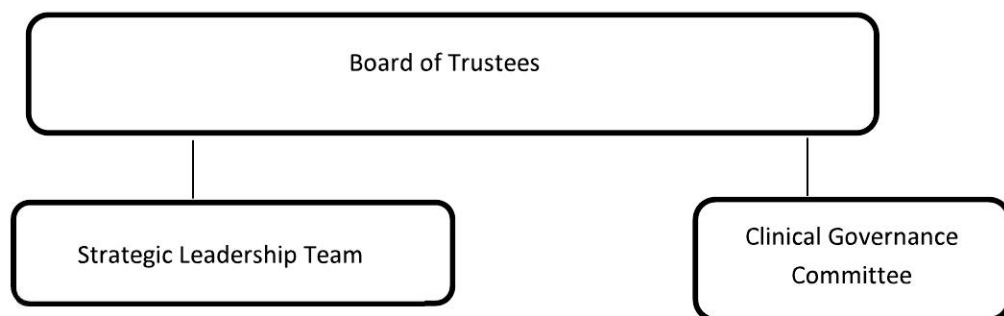
Trustees' Report for the year ended 31 March 2022

Our governance

Structure, governance, and management

Bluebell Wood Children's Hospice is a charity, registered in England and Wales, and is constituted as a company limited by guarantee and governed by its Memorandum and Articles of Association. Bluebell Wood Trading Company Limited was a wholly owned subsidiary until 12 October 2021 (Company number 05030414). On 12 October 2021, Bluebell Wood Trading Company Limited was placed into voluntary liquidation following difficult trading conditions and the uncertain ultimate impact of the Covid-19 pandemic.

As Trustees, we are responsible for the management of Bluebell Wood and that we deliver our charitable objectives. The board meets quarterly to receive reports from the sub committees, Chief Executive and Strategic Leadership Team.



The trustees who served during the year are set out on page 1. Trustees have the authority to appoint new trustees and at each Annual General Meeting, one third of the trustees are required to resign and may stand for re-election. New trustees undertake an induction programme both prior to and after appointment. Trustees are drawn from many areas of expertise, including health, business, and finance.

The trustees and the Senior Leadership Team are the people in charge of the strategic direction and operational management of Bluebell Wood. The trustees do not receive any remuneration or benefits.

Remuneration policy

Pay and benefits are set at a level to recognise the value of the role and the level of responsibility. Pay and benefits were compared to benchmarks for similar roles in the hospice and charity sector and the level set based on the experience and skills required for the roles. We remain committed to fair and affordable recognition for our staff but, given the uncertainty at the end of this financial year heading into the global pandemic, did not award a cost-of-living increase.

Public Benefit Statement

We provide public benefit through the operation of a children's hospice providing palliative care, respite and short breaks together with end-of-life care. This public benefit is directly related to our charitable objectives. We confirm that we follow the Charity Commission's public benefit guidance when planning the activities of the charity.

Auditor

Azets Audit Services Limited are deemed reappointed in accordance with the Companies Act 2006.

Bluebell Wood Children's Hospice

Trustees' Report for the year ended 31 March 2022

Reference and administrative details

Trustees' Responsibilities

The Trustees (who are also the directors for the purposes of company law) are responsible for preparing the Trustee's annual report (including the strategic report) and the financial statements in accordance with applicable law and UK accounting Standards.

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

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

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

Disclosure of information to auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- as Trustees we have taken all the steps that we ought to in order to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

In approving the Trustees' Report, we also approve the strategic report included therein, in our capacity as company directors.

On behalf of the Board

DWilkin

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David Wilkin
Trustee

11/01/2023

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Bluebell Wood Children's Hospice

Independent Auditor's Report to the Members of Bluebell Wood Children's Hospice

Qualified Opinion

We have audited the financial statements of Bluebell Wood Children's Hospice and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise a Consolidated Statement of Financial activities, the Consolidated and Charity Balance Sheets, the Consolidated Statement of Cash Flows and related Notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, except for the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2022 and of the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for Qualified opinion

Bluebell Wood Children's Hospice's subsidiary company, Bluebell Wood Trading Company Limited, appointed a voluntary liquidator on 19 October 2021. Subsequently, the subsidiary records were taken by the liquidator and we were unable to satisfy ourselves by alternate means the completeness of all accounting records held by the company, by using other audit procedures. Consequently we were unable to determine whether any adjustments to the Bluebell Wood Trading Company financial accounts, which form part of these financial statements, were necessary.

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key audit matters

In forming our audit opinion on the financial statement, which is qualified, we have considered the adequacy of the disclosure made in note 1 to the financial statements concerning the Group's ability to continue as a going concern. Following the period end the Group suspended its clinical services; on 17th December 2022 the CQC lifted the suspension on the clinical services and these re-opened. The model for re-opening differs from how it previously operated. The going concern basis appears adequate for the next 12 months however at the time of signing the financial statements the hospice has been open for a limited amount of time.

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 charitable company'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.

Bluebell Wood Children's Hospice

Independent Auditor's Report to the Members of Bluebell Wood Children's Hospice

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Trustees' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to Bluebell Wood Trading Company Limited, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been maintained.

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

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

- other than as specifically noted above, adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations we require for our audit.

Bluebell Wood Children's Hospice

Independent Auditor's Report to the Members of Bluebell Wood Children's Hospice

Responsibilities of the Trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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.

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

Extent to which the audit was considered capable of identifying irregularities, including fraud

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Trustees and other management, and from inspection of the charity's regulatory and legal correspondence. We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable company is subject to laws and regulations that directly affect the financial statements including company law, charity law, financial reporting legislation, pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, including safeguarding, medicines regulation, environmental, health and safety and employment legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable company to commit fraud. Our risk assessment procedures included: enquiry of Trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

Bluebell Wood Children's Hospice

Independent Auditor's Report to the Members of Bluebell Wood Children's Hospice

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular completeness, the risk that income is recognised in the wrong reporting period, or that restricted income is incorrectly recognised within unrestricted income; and
- subjective accounting estimates.

Fraud risks arise due to a potential desire to present the results in a differing light to suit management objectives. As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation;
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was recognised in the correct period.

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 of not detecting a material misstatements restating from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, of the override of internal control

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Use of Our Report

This report is made solely to the parent charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the parent charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Azets Audit Services Limited

Jessica Lawrence (Senior Statutory Auditor)
For and on behalf of Azets Audit Services Limited

12/01/2023
.....

33 Park Place
Leeds
LS1 2RY

Chartered Accountants
Statutory Auditor

Bluebell Wood Children's Hospice

Consolidated Statement of Financial Activities (incorporating an Income and Expenditure Account) for the year ended 31 March 2022

	Notes	Unrestricted funds £000's	Restricted funds £000's	2022 Total £000's	2021 Total £000's
Income from:					
Donations, grants and legacies	3	1,724	109	1,833	3,165
Charitable activities	4	600	-	600	1,259
Fundraising and trading activities	5	1,539	-	1,539	1,138
Investment income	6	128	-	128	139
Sundry income		17	-	17	41
Total income		4,008	109	4,117	5,742
Expenditure on:					
Charitable activities	7	(2,295)	(72)	(2,367)	(2,452)
Raising funds - trading	7	(263)	-	(263)	(493)
Raising funds - fundraising	7	(1,721)	-	(1,721)	(1,584)
Total expenditure	7	(4,279)	(72)	(4,351)	(4,529)
Net (expenditure)/income before other recognised gains					
		(271)	37	(234)	1,213
Net investment gain		45	-	45	734
Net (expenditure)/income and net movement in funds		(226)	37	(189)	1,947
Reconciliation of funds					
Funds at 1 April 2021	18	12,433	133	12,566	10,619
Funds at 31 March 2022	18	12,207	170	12,377	12,566

All income and expenditure derive from continuing activities, except for income and expenditure from trading activities. In the year ended 31 March 2022, the trading income from discontinued activities totalled £195k (2021: 273k), whilst the expenditure totalled £257k (2021: 507k).

All gains and losses recognised in the year are included in the consolidated statement of financial activities.

A fully detailed Statement of Financial Activities for the year ended 31 March 2021 is shown in note 25.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

Bluebell Wood Children's Hospice

Consolidated and Charity Balance Sheet as at 31 March 2022

		Group		Charity	
	Notes	2022 £000's	2021 £000's	2022 £000's	2021 £000's
Fixed assets					
Intangible assets	10	40	36	40	36
Tangible assets	11	3,902	4,061	3,902	4,051
Investments	12,13	6,009	6,167	6,009	6,167
		9,951	10,264	9,951	10,254
Current assets					
Stock		-	3	-	-
Debtors	14	1,134	1,113	1,134	1,079
Cash	15	1,634	1,691	1,634	1,566
		2,768	2,807	2,768	2,645
Liabilities falling due within one year	16	(342)	(505)	(342)	(446)
Net current assets		2,426	2,302	2,426	2,199
Net assets	18	12,377	12,566	12,377	12,453
Funds of the charity:					
Restricted	18	170	133	170	133
Unrestricted	18	12,207	12,433	12,207	12,320
Total Funds		12,377	12,566	12,377	12,453

The notes on pages 16 to 30 form part of these financial statements.

The Financial Statements were approved on 11/01/2023 by the Trustees and signed on its behalf by:

DWilkin

David Wilkin

Company Number: 03809663

Bluebell Wood Children's Hospice

Consolidated Statement of Cash Flow for the year ended 31 March 2022

	Note	2022 £'000	2021 £'000
Net cash (used by) / provided from operating activities	23	(362)	1,725
Cash flows from investing activities			
Purchase to acquire investments		(599)	(3,331)
Proceeds from the sale of investments		802	2,315
Investment income		128	139
Purchase of intangible assets		(22)	(29)
Purchase of tangible assets		(4)	(54)
Net cash flow from investing activities		305	(960)
Change in cash and cash equivalents in the year		(57)	765
Cash and cash equivalents at the beginning of the year		1,691	926
Cash and cash equivalents at the end of the year	15	1,634	1,691

Net debt

The group had no debt either during the current or previous year.

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

1. Accounting policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

Company information

The Charitable Company is limited by guarantee, with the liability of members limited to £1 per member. Bluebell Wood Children's Hospice is a charity registered with the Charities Commission in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to help children with life threatening and life shortening conditions and their families.

Accounting convention

The financial statements have been prepared on a going concern basis in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) ("Charities SORP (FRS 102)"), the Financial Reporting Standard applicable in the UK and Ireland (FRS 102), the Companies Act 2006 and the Charities Act 2011.

Bluebell Wood Children's Hospice meets the definition of a public benefit entity under FRS 102.

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

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1,000.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS 102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

Going concern

As disclosed in note 13, the subsidiary trading company was placed in voluntary liquidation on 12 October 2021, due to ongoing losses in that entity this was considered to be the only reasonable course of action by the Directors of that company. The Trustees do not consider that this liquidation materially impacts the going concern status of the group overall as the entity had not contributed positively for some years.

The Trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern. Thus the financial statements have been prepared on a going concern basis.

Basis of consolidation

The consolidated accounts incorporate the results of Bluebell Wood Children's Hospice ("Charity") and its subsidiary undertaking on a line by line basis. No separate company Statement of Financial Activities has been prepared for the Charity as permitted by Section 408 of the Companies Act 2006. The results of the charity only are disclosed in note 20 to these financial statements.

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

1. Accounting policies

Funds

The general fund represents the unrestricted funds which the Trustees are free to use in accordance with the charity's objects. Designated funds are unrestricted funds designated by the Trustees for specific purposes. Restricted funds are received for undertaking an activity specified by the donor. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Taxation

Bluebell Wood Children's Hospice is an exempt charity within the meaning of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. No corporation tax charge arises in the subsidiary due to its policy of gifting all the taxable profits to Bluebell Wood Children's Hospice.

Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income, any performance conditions have been met, the receipt is probable and the amount can be measured reliably.

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Retail income includes stock sold during the year, exclusive of value added tax.

In accordance with Charities SORP (FRS 102), the value of volunteer time is not recognised in the financial statements. Please refer to the Trustees' annual report for more information.

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 recognised as expenditure in the period of receipt.

Income from goods donated for sale in the charity's shops is recognised at point of sale. As a result of the high volume of low value donated goods received by the charity, the cost of recognising these items at fair value on receipt would outweigh the benefit of recognising them in the financial statements.

Investment Income and gains

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

Dividend income from investment funds is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of dividends paid or payable.

Expenditure

All expenditure is accounted for 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. It is categorised under the following headings:

- Cost of raising funds comprise the costs associated with attracting voluntary income, and those incurred by the commercial trading operation.
- Charitable activities comprises costs of delivery services to our beneficiaries. It includes both costs that can be allocated directly to those activities and those costs of an indirect nature necessary to support them, including staffing and other overhead costs.

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

1. Accounting policies (continued)

- Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administration, finance, human resources, information systems and governance costs which support the services providing care to patients and families. These costs have been allocated between the costs of raising funds and expenditure on charitable activities on the basis set out in note 7.

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

Fixed assets – intangible and tangible

Individual fixed assets costing more than £1,000 are capitalised and included at cost less accumulated depreciation. Depreciation is calculated to write down the cost of tangible fixed assets over their expected useful lives. The rates generally applicable are:

Software	25% straight line
Freehold buildings	2% straight line
Furniture and equipment	15% straight line
Computers	25% straight line
Motor vehicles	25% straight line

A full year's depreciation charge is provided for in the year of acquisition.

Freehold land is not depreciated.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the assets and is credited or charged to the Statement of Financial Activities.

Stocks

Purchased goods for resale are valued at the lower of cost and estimated selling price less estimated costs to sell and complete.

Investments

Investments (other than investments in subsidiaries) are stated at market value at the balance sheet date.

The investment portfolio is held to generate returns and gains for the group and accordingly is designated as fair value through profit and loss ("FVTPL"). Under this designation the portfolio is re-valued at each period end to its fair value, as determined by reference to quoted market prices and values determined by independent fund managers, with any gains or losses going through the Statement of Financial Activities. Upon disposal of investments, the gains and losses of these are also included within the Statement of Financial Activities.

For the purposes of the cash flow statement, the short-term cash deposits held for reinvestment within investments have been treated as cash.

Investments in subsidiaries are stated at cost and the Trustees review the carrying value annually for indications of impairment.

Financial instruments

The group 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.

Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity held for working capital. Bank overdrafts are shown within borrowing in current liabilities.

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

1. Accounting policies (continued)

Debtors

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

Financial assets, other than those held at fair value through profit and loss, 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. The impairment loss is recognised in the income and expenditure account.

Creditors, loans and provisions

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

Financial Liabilities are only derecognised when, and only when, the group's obligations are discharged, cancelled or they expire.

Amounts recognised as provisions are best estimates of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation.

Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities on a straight-line basis over the lease term.

Retirement benefits

The charity contributes to a defined contribution scheme and a final salary scheme, the NHS pension scheme. Both schemes are accounted for as defined contribution schemes and the pension cost represents contributions payable by the charity in respect of the year accounted for on an accruals basis in accordance with FRS102. All pension costs are allocated to unrestricted reserves.

2. Critical accounting estimates and areas of judgement

In the application of the group'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, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Legacies

Legacies are recognised as income when probate has been granted, the charity has established its entitlement to the funds and where sufficient information is available to allow it to measure its entitlement.

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

3. Donations and legacies

	2022	2021
	£'000	£'000
Donations and grants	392	823
Legacies	1,441	2,342
	1,833	3,165

We have over 300 volunteers providing their time and skills in all areas of our work. This includes care, housekeeping, catering, fundraising, gardening, finance and our support groups. We greatly value all our volunteers. A value of their donated time is not included in the financial statements in accordance with the FRS 102 SORP.

4. Charitable activities

	2022	2021
	£'000	£'000
Clinical commissioning groups, local authorities and government	180	617
NHS England	361	90
Hospice UK Covid-19 emergency funding (restricted)	57	461
CJRS furlough income – Hospice employees	2	91
	600	1,259

5. Fundraising and trading activities

	2022	2021
	£'000	£'000
Fundraising activities	754	218
Lottery	590	647
Total fundraising	1,344	865
Income from sale of donated goods	175	99
CJRS furlough income – Retail employees	20	174
	1,539	1,138

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

6. Investment income

	2022 £'000	2021 £'000
Investment income	128	139

7. Analysis of expenditure including governance and support costs

For the year ended 31 March 2022:	Charitable activities £'000	Retail £'000	Fundraising £'000	Total 2022 £'000
Wages and salaries	1,642	159	1,278	3,079
Premises and facilities	113	56	49	218
Depreciation and amortisation	117	2	51	170
Loss associated with liquidation of trading company	58	-	-	58
Fundraising and marketing	12	-	151	163
Lottery	-	8	-	8
Legal and professional	7	30	16	53
Care	257	-	-	257
Administration	113	4	93	210
Motor and travel	4	4	4	12
Training and recruitment	44	-	35	79
Investment manager fees	-	-	44	44
Total expenditure	2,367	263	1,721	4,351

Support and governance costs

All governance and support costs are apportioned between the various costs of raising funds and charitable activities according to levels of direct expenditure. This method of apportionment represents a reasonable approximation of the usage of governance and support costs by each activity.

Support costs are included in the above totals as follows:

	Support costs £'000	Governance £'000	Total 2022 £'000
Wages and salaries	492	-	492
Premises and facilities	218	-	218
Depreciation and amortisation	170	-	170
Legal and professional	-	53	53
Administration	210	-	210
Motor and travel	12	-	12
Training and recruitment	79	-	79
Investment manager fees	44	-	44
Total support costs	1,225	53	1,278

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

7. Analysis of expenditure including governance and support costs (continued)

For the year ended 31 March 2021:	Charitable activities £'000	Retail £'000	Fundraising £'000	Total 2021 £'000
Wages and salaries	1,621	243	1,274	3,138
Premises and facilities	146	155	8	309
Depreciation and amortisation	182	12	10	204
Loss on sale of fixed assets	54	17	3	74
Fundraising and marketing	21	-	103	124
Lottery	-	29	-	29
Legal and professional	13	28	11	52
Care	239	-	-	239
Administration	97	8	76	181
Motor and travel	1	1	1	3
Training and recruitment	78	-	61	139
Investment manager fees	-	-	37	37
Total expenditure	2,452	493	1,584	4,529

Support and governance costs

All governance and support costs are apportioned between the various costs of raising funds and charitable activities according to levels of direct expenditure. This method of apportionment represents a reasonable approximation of the usage of governance and support costs by each activity.

Support costs are included in the above totals as follows:

	Support costs £'000	Governance £'000	Total 2021 £'000
Wages and salaries	471	-	471
Premises and facilities	309	-	309
Depreciation and amortisation	204	-	204
Legal and professional	-	52	52
Administration	181	-	181
Motor and travel	3	-	3
Training and recruitment	139	-	139
Investment manager fees	37	-	37
Total support costs	1,344	52	1,396

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

8. Staff costs

	2022 £'000	2021 £'000
Salaries	2,637	2,727
Pension cost	153	174
Employer's national insurance	228	233
Redundancy payments	61	4
	3,079	3,138

1 employee (2021: none) had a salary and benefits (excluding pension) between £60,001 and £70,000.

No employees (2021: two) had a salary and benefits (excluding pension) between £80,001 and £90,000.

The key management personnel comprise the Trustees and the Senior Leadership Team as detailed on page 1. In prior year the Key Management Personnel consisted of the CEO, Head of Communications, Director of Care, Head of Care, Head of Family Support and Wellbeing Services, Head of Facilities and Estates, Head of IT, Head of Fundraising and Head of Finance. The total pay and employee benefits of Key management Personnel was £285k (2021: £558k).

The Trustees received no remuneration or other benefits in this or the previous financial year. Travel expenses of £1k (2021: £nil) were reimbursed.

Average number of employees

	2022	2021
Care	52	52
Support	42	46
Retail	6	18
	100	116

The full-time equivalent number of employees were:

	2022	2021
Care	39	46
Support	36	44
Retail	5	17
	80	107

9. Net income

Net income is stated after:	2022 £'000	2021 £'000
Depreciation and amortisation	170	204
Auditor's remuneration - audit	11	11
Auditor's remuneration - accounts preparation	2	2
Loss on disposal of fixed assets	11	57
Operating lease rentals - property	36	113
Operating lease rentals - plant and equipment	10	10

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

10. Intangible Fixed Assets

Group and Charity	Software £000's
Cost	
At 1 April 2021	69
Additions	22
Disposals	-
At 31 March 2022	91
Amortisation	
At 1 April 2021	33
Charge for year	18
On disposals	-
At 31 March 2022	51
Net book values	
At 31 March 2022	40
At 31 March 2021	36

11. Fixed assets

Group	Land and buildings £'000	Computers £'000	Motor vehicles £'000	Fixtures & equipment £'000	Total £'000
Cost					
As at 1 April 2021	5,264	106	79	748	6,197
Additions	-	4	-	-	4
Disposals	-	-	(37)	(105)	(142)
At 31 March 2022	5,264	110	42	643	6,059
Depreciation					
As at 1 April 2021	1,342	32	79	683	2,136
Charge for the year	106	23	-	23	152
Disposals	-	-	(37)	(94)	(131)
As at 31 March 2022	1,448	55	42	612	2,157
Net book value					
As at 31 March 2022	3,816	55	-	31	3,902
As at 31 March 2021	3,922	74	-	65	4,061

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

11. Fixed assets (continued)

Charity	Land and buildings £'000	Computers £'000	Motor vehicles £'000	Fixtures & equipment £'000	Total £'000
Cost					
As at 1 April 2021	5,264	106	42	643	6,055
Additions	-	4	-	-	4
At 31 March 2022	5,264	110	42	643	6,059
Depreciation					
As at 1 April 2021	1,342	31	42	589	2,004
Charge for the year	106	24	-	23	153
As at 31 March 2022	1,448	55	42	612	2,157
Net book value					
As at 31 March 2022	3,816	55	-	31	3,902
As at 31 March 2021	3,922	75	-	54	4,051

12. Listed Investments

Group and Charity	2022 £'000	2021 £'000
At 1 April 2021	6,167	4,417
Purchase at cost	599	3,331
Proceeds from sale of investment	(802)	(2,315)
Net investment gains	45	734
Value at 31 March 2022	6,009	6,167
Listed investments	6,009	6,167
Cash and cash equivalents (note 15)	521	241
	6,530	6,408

The historic cost of investments at 31 March 2022 was £5,458 (2021: £5,575k).

13. Unlisted Investments

Charity	2022 £	2021 £
Cost		
Investment in subsidiary	-	100

The investment represented the 100% ownership and control of Bluebell Wood Trading Company Limited (Company number 05030414), which went into liquidation in October 2021.

Subsidiary Trading Company

	2022 £'000	2021 £'000
The results and net assets are:		
Turnover	195	99
Expenditure	(258)	(507)
Other operating income	-	174
(Loss) for the year	(63)	(234)
Assets	-	176
Liabilities	-	(685)
Net liabilities	-	(509)

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

14. Debtors

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Accrued income	1,020	838	1,020	826
Trade debtors	8	23	8	22
Prepayments	73	56	73	41
VAT recoverable	24	194	24	189
Other debtors	9	2	9	1
	1,134	1,113	1,134	1,079

15. Cash

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Cash held in investments	521	241	521	241
Cash at bank	1,113	1,450	1,113	1,325
	1,634	1,691	1,634	1,566

16. Creditors: falling due within one year

	Group		Charity	
	2022 £'000	2021 £'000	2022 £'000	2021 £'000
Trade creditors	57	164	57	135
Accruals and other creditors	69	87	69	60
Tax and national insurance	49	59	49	56
Deferred income (note 17)	167	195	167	195
	342	505	342	446

17. Deferred income

	2022 £'000	2021 £'000
At 1 April 2021	195	64
Additions during the year	102	195
Amounts released to income	(130)	(64)
At 31 March 2022	167	195

Deferred income relates to fundraising, lottery and grant income received in advance.

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

18. Statement of funds

For the year ended 31 March 2022	1 April 2021 £'000	Income £'000	Expenses £'000	Transfers £'000	Net investment gains £'000	At 31 March 2022 £'000
Unrestricted						
Free reserves						
Charity	8,708	3,786	(3,838)	(586)	45	8,115
Trading	(521)	195	(260)	586	-	-
Fixed asset reserves	4,097	27	(182)	-	-	3,942
	12,284	4,063	(4,334)	-	45	12,057
Designated						
Building	51	-	-	-	-	51
IT	97	-	-	-	-	97
People	1	-	-	-	-	1
	149	-	-	-	-	149
Total unrestricted funds	12,433	4,063	(4,334)	-	45	12,207
Restricted						
Hospice UK Covid funding	-	55	(55)	-	-	-
Other	133	54	(17)	-	-	170
Total restricted funds	133	109	(72)	-	-	170
Total funds	12,566	4,117	(4,351)	-	45	12,377

For the year ended 31 March 2021	1 April 2020 £'000	Income £'000	Expenses £'000	Transfers £'000	Net investment gains £'000	At 31 March 2021 £'000
Unrestricted						
Free reserves						
Charity	6,408	4,827	(3,261)	-	734	8,708
Trading	(316)	274	(479)	-	-	(521)
Fixed asset reserves	4,292	82	(277)	-	-	4,097
	10,384	5,183	(4,017)	-	734	12,284
Designated						
Building	51	-	-	-	-	51
IT	97	-	-	-	-	97
People	1	-	-	-	-	1
	149	-	-	-	-	149
Total unrestricted funds	10,533	5,183	(4,017)	-	734	12,433
Restricted						
Hospice UK Covid funding	-	461	(461)	-	-	-
Other	86	98	(51)	-	-	133
Total restricted funds	86	559	(512)	-	-	133
Total funds	10,619	5,742	(4,529)	-	734	12,566

Designated reserves are unrestricted funds set aside for future spend and development of the Hospice in the areas of building development, IT, People and Strategy.

Restricted funds are funds which are used in accordance with specific restrictions imposed by the donor. Hospice UK provided restricted emergency funding in relation to the Covid-19 pandemic, that was to be only used for the direct provision of hospice related services.

Within Other restricted funds, there were two restricted fund balances over £10k at the year end. In the year, there was one restricted receipt over £10k.

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

19. Analysis of net assets between funds

Group & Charity	Restricted funds	Designated funds	Unrestricted fixed asset fund	Free reserves	Total 2022
As at 31 March 2022	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	3,942	-	3,942
Investments	-	-	-	6,009	6,009
Current assets	170	149	-	2,449	2,768
Current liabilities	-	-	-	(342)	(342)
	170	149	3,942	8,116	12,377

Group	Restricted funds	Designated funds	Unrestricted fixed asset fund	Free reserves	Total 2021
As at 31 March 2021	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	4,097	-	4,097
Investments	-	-	-	6,167	6,167
Current assets	133	149	-	2,525	2,807
Current liabilities	-	-	-	(505)	(505)
	133	149	4,097	8,187	12,566

Charity	Restricted funds	Designated funds	Unrestricted fixed asset fund	Free reserves	Total 2021
As at 31 March 2021	£'000	£'000	£'000	£'000	£'000
Fixed assets	-	-	4,087	-	4,087
Investments	-	-	-	6,167	6,167
Current assets	133	149	-	2,363	2,645
Current liabilities	-	-	-	(446)	(446)
	133	149	4,087	8,084	12,453

20. Income and expenditure of the charity

The Consolidated Statement of Financial Activities is for the group as a whole. A separate Statement of Financial Activities for the charity itself is not presented because it has taken advantage of the exemptions afforded by Section 408 of the Companies Act 2006.

The results of the Charity are as follows:

	2022 £'000	2021 £'000
Total income	3,967	5,486
Total expenditure	(4,088)	(4,661)
Total net investment gains	45	734
Net (deficit) / surplus	(76)	1,559

Bluebell Wood Children's Hospice

Notes to the Financial Statements for the year ended 31 March 2022

21. Pension commitments – Group

The charity contributes to two pension schemes for the employees, both of which are treated as defined contribution schemes and the pension costs are the contribution to the schemes as disclosed in note 8. All pension payments are from unrestricted reserves.

The group personal pension scheme with Royal London is a defined contribution scheme. The pension cost charge for the year amounted to £80k (2021: £94k).

Eligible staff are able to remain in the NHS Pensions Scheme as if they were still in the employment of an employing authority. The NHS Pension Scheme is an unfunded occupational pension scheme backed by the Exchequer, which is open to all NHS employees and employees of approved organisations. The scheme provides pensions, based on final salary, in varying circumstances for other employees of participating employers. The scheme receives contributions from employers and employees to defray the costs of pensions and other benefits. The scheme is subject to a full actuarial valuation every four years and an accounting valuation every year. Details of benefits payable, and the basis for valuations under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs/pensions.

In the year ended 31 March 2022, the charity made contributions to the NHS Pension Scheme totalling £73k (2021: £80k). Employer contributions were 14.38%.

At the year end, pension contributions totalling £21k (2021 - £26k) were unpaid.

22. Operating lease commitments – Group

Amounts falling due:	2022 £'000	2021 £'000
Within one year	10	59
Between two and five years	-	182
After more than five years	-	6
	10	247

23. Reconciliation of cash flow from operating activities – Group

	2022 £'000	2021 £'000
Net (expenditure) / income before other recognised gains	(234)	1,213
Investment income	(128)	(139)
Amortisation	18	17
Depreciation	152	187
Loss on disposal of fixed assets	11	74
Decrease in stock	3	9
(Increase)/decrease in debtors	(21)	280
(Decrease) / increase in creditors	(163)	84
Net cash (outflow) / inflow from operating activities	(362)	1,725

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Notes to the Financial Statements for the year ended 31 March 2022

24. Related party transactions

On 12 October 2021, Bluebell Wood Trading Company Limited, the charitable company's trading subsidiary, was placed into voluntary liquidation and a liquidator appointed on 19 October 2021.

In prior year, the charity provided in full against a loan of £625k due from Bluebell Wood Trading Company Limited.

There were no transactions between the charity and its Trustees during the year that required disclosing as related party transactions under FRS 102, other than those disclosed in note 8.

25. Comparative Consolidated Statement of Financial Activities

	Unrestricted funds £000's	Restricted funds £000's	2021 Total £000's
Income from:			
Donations, grants and legacies	3,067	98	3,165
Charitable activities	798	461	1,259
Fundraising and trading activities	1,138	-	1,138
Investment income	139	-	139
Sundry income	41	-	41
Total income	5,183	559	5,742
Expenditure on:			
Charitable activities	(1,940)	(512)	(2,452)
Raising funds - trading	(493)	-	(493)
Raising funds - fundraising	(1,584)	-	(1,584)
Total expenditure	(4,017)	(512)	(4,529)
Net income before other recognised gains and losses	1,166	47	1,213
Net investment gain	734	-	734
Net income and net movement in funds	1,900	47	1,947
Reconciliation of funds			
Funds at 1 April 2020	10,533	86	10,619
Funds at 31 March 2021	12,433	133	12,566