

Charity Registration No. 1019410

Company Registration No. 02803974 (England and Wales)

ST BENEDICT'S HOSPICE, SUNDERLAND
(A COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 5 APRIL 2021

ST BENEDICT'S HOSPICE, SUNDERLAND

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr D Moss Dr M J Walker Mr K A Stenger Mrs J M Bray Mr J T Thorne C H Trivedy Mr P W Usher Mr R A Collings Mr E Tutty
Charity number	1019410
Company number	02803974
Registered office	St Benedict's Hospice St Benedict's Way Ryhope Sunderland SR2 0NY
Auditor	Galley & Tindle Audit Limited Oakmere Belmont Business Park Durham
Bankers	HSBC

ST BENEDICT'S HOSPICE, SUNDERLAND

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ST BENEDICT'S HOSPICE, SUNDERLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 5 APRIL 2021

The trustees present their report and financial statements for the year ended 5 April 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 of the financial statements 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 (FRS 102) (effective 1 January 2019)".

Objectives and activities

St Benedict's Hospice, Sunderland is a registered charity which supports St Benedict's Hospice and Centre for Specialist Palliative Care, an NHS run service offering care and support to people from Sunderland and surrounding districts.

The charity raises over £1million a year in voluntary and charitable donations for the hospice, supporting a wide range of activities, equipment and specialist roles to support patients and families. The charity currently funds the hospice counselling service, various occupational therapy roles and several medical roles including the Hospice Matron and provides a wide range of specialist and general equipment.

2020/21 was an unprecedented year. The impact of the Covid-19 pandemic was immediate and far reaching for the entire country and our thoughts are with all those near and far who were personally affected.

St Benedict's Hospice, Sunderland, like many charities, suffered a sustained loss of voluntary income in 2020/21 following the start of the pandemic as fundraising events and activities were cancelled and our charity shops were forced to close. To mitigate this loss charity staff were furloughed as and when appropriate via the Government's Job Retention Scheme.

The trustees, charity staff and our many supporters worked incredibly hard to continue raising and donating money and we are delighted that during this most challenging of years we have been able to contribute £1,701,953 to the hospice to support their work.

The charity has continued to pursue its activities under five objectives:

- To provide patients those comforts which are necessary to ensure that they benefit from the special atmosphere which is unique to all Hospices', especially St Benedict's Hospice. Some of these are specific to individuals and their families
- To fundraise to meet the cost of the provision of Hospice services
- Support and provide financial assistance to the work in specialist palliative care with the range of services provided for in-patients and out-patients
- To continue to recruit and train volunteers
- To assist in the establishment of a range of educational programmes that will improve the services provided at and through the Hospice

The Charity considers that these objectives and activities demonstrate clear benefits to the public in the areas served by the Hospice based on the need for palliative care services.

In setting objectives and planning future developments the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit and are satisfied that they meet those requirements.

ST BENEDICT'S HOSPICE, SUNDERLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 5 APRIL 2021**

The policies of the charity are determined by the Board of Trustees and ensure day to day decisions are consistent with these policies and associated procedures. Policies and procedures have been reviewed and revised, with new policies agreed where identified. Limits of expenditure by delegated authority are clear and the Board is involved in making spending decisions. Where requests for expenditure require clinical and technical advice, these are provided by the Hospice Clinical Management Team.

Fundraising Update

The charity's primary source of income is voluntary money raised from the general public, local businesses and charitable trusts and foundations.

Fundraising in 2020/21 was incredibly challenging due to the Covid-19 pandemic. Planned fundraising events like our Sunflower Appeal and the Great North Run were cancelled and many supporters who had planned to fundraise on our behalf weren't able to. Our charity shops were closed for much of the year in line with Government guidelines.

Thanks to our dedicated staff and volunteers, our annual Sunflower Appeal and Light up a Life events went 'virtual' and we were overwhelmed at the support and donations we received from our supporters as we all adapted to the challenges of Covid-19.

The focus of our in-house team of fundraisers is to support people in their fundraising for the charity and to find new and innovative ways for people to get involved with our work. In 2020/21 we did not engage any professional fundraisers or commercial participators, for example face to face or door to door fundraisers. Our charity shops receive incredible support from the local community with regular donations of goods. As such we don't currently distribute charity bags to individual homes across the area.

The charity is registered with the Fundraising Regulator and all our fundraising activities comply with their Code of Fundraising Practice. We have a Customer Relationship Management (CRM) database in place which ensures we monitor and support activities of people fundraising for us. The CRM also ensures accurate financial record keeping and that we comply with the General Data Protection Regulation (GDPR) which is regulated by the Information Commissioner's Office (ICO). In 2020/21 there were no compliance issues raised about our fundraising by the Charity Commission, Fundraising Regulator or the ICO. The charity received no complaints regarding our fundraising in the last financial year.

The charity has a wide range of committed volunteers who regularly raise money on behalf of the charity, for example our Board of Trustees. These volunteers represent and raise funds for the charity on a regular basis and as such we give them the appropriate training and support to ensure they maintain our fundraising standards. This includes sharing guidelines from the Code of Fundraising Practice, the Charity Governance Code, regular meetings and oversight from the fundraising team. In 2020/21 we did not engage/pay any external fundraisers.

We are committed to supporting everyone who fundraises for the charity and understand that some people may be classed as vulnerable due to their personal circumstances or the circumstances of their loved ones. We ensure all of our staff are trained and able to recognise someone who may be vulnerable and work closely with the hospice clinical team to ensure the individual gets the most appropriate support.

Whilst 2020/21 has been one of the most challenging years in terms of fundraising, the charity remains committed to growing and nurturing the support we receive from people who commit to fundraise for the charity, often for very personal reasons. We remain incredible grateful for all the support we receive.

Financial review

The charity reported a surplus during the financial year of £824,797 (2020: £491,677 deficit). This was both planned and budgeted for to release reserves which the Trustees consider to be in excess of those required. A contribution from the retail operation of £150,234 (2020: £83,777) added to the overall surplus.

ST BENEDICT'S HOSPICE, SUNDERLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) **FOR THE YEAR ENDED 5 APRIL 2021**

Reserves Policy

The policy of the Trustees is to maintain free reserves equal to six month's expenditure.

While the balance of the unrestricted funds is currently in excess of that amount, the Trustees have committed to a program of budgeted charitable expenditure to exceed income until the specified level of reserves is achieved.

Public Benefit

The Trustees have had regard to the Charity Commission guidance on their legal duty on public benefit, and are satisfied that the Charity delivers worthwhile public benefit. Due regard is paid to the guidance on public benefit when deciding on what new projects the Charity should undertake.

Investment Policy

The Trustees have appointed Barclays Investments Limited and Cascade Cash Management to advise them in respect of its investments. The charity is a long term investor and seeks to obtain a reasonable investment return.

In placing funds the high level of Stock Management volatility and continuing uncertainty regarding world economic prospects have been taken into account and balanced against an environment of low returns on cash funds. Cash funds are held in low risk investments for which falling interest rates will inevitably affect the overall return. The investment brief is broadly defined but ethical criteria prevent investment in companies that manufacture arms, alcohol or tobacco. The Trustees have considered any effect which Brexit may have on the investments held.

Risk Management

The trustees has assessed the major risks to which the charity is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

The Trustees have overall responsibility for the system of internal control for the charity, such a system, however, can provide only a reasonable, but not absolute assurance against fraud and error.

Whilst palliative care services are largely funded by the NHS and the Foundation Trust, the major risk to which the Charity is exposed is a change in government or NHS policies which may result in reconfiguration of service provision or reduction of funding to Hospice services. Policies and procedures have been reviewed and revised in order to mitigate risk.

Future Policy

A business plan has been approved by the Board of Trustees which sets out the development the charity intends to undertake in the medium term. This includes cost control, expansion of fundraising activity and retail operations.

Structure, governance and management

ST BENEDICT'S HOSPICE, SUNDERLAND

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

St Benedict's Hospice, Sunderland is a charitable company limited by guarantee, which was incorporated on 18 March 1993 as Sunderland Cancer Relief (Registered Charity No 1019410), with its Registered Office St Benedict's Hospice & Centre for Specialist Palliative Care, St Benedict's Way, Ryhope, Sunderland, SR2 0NY.

The overall objective of the Charity is to "promote the relief of sickness of persons from Sunderland and other parts of the North East of England suffering from cancer or any terminal illness or intractable pain, and in particular but without limiting the foregoing by the provision of Hospice and day centre facilities."

The Charity works with South Tyneside NHS Foundation Trust through a Partnership Agreement established with effect from 1 October 2003.

The charitable company is governed by its Board of Trustees. The Trustees meet monthly at which a full agenda and financial statements are presented.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr D Moss

Dr M J Walker

Mr K A Stenger

Mrs J M Bray

Mr J T Thorne

C H Trivedy

Mr P W Usher

Mr R A Collings

Mr P Smith

(Resigned 7 July 2021)

Mr E Tutty

Recruitment and Appointment of Trustees

New Trustees are provided with a proper induction process and a pack which provides full information regarding all they need to know about the charity as well as their responsibilities as Trustees.

Auditor

In accordance with the company's articles, a resolution proposing that Galley & Tindle Audit Limited be reappointed as auditor of the company will be put at a General Meeting.

Looking Forward

In 2021/22 the charity will embark on a robust review of the charity in the light of the ongoing Covid-19 pandemic. This includes a review of staff roles, charity governance, fundraising policies and future planning of fundraising events and activities. A new CRM and website is also being planned to ensure the charity is well equipped to support digital fundraising during the pandemic and beyond.

The trustees' report was approved by the Board of Trustees.



Mr D Moss

Chairman

Dated: 16 September 2021

ST BENEDICT'S HOSPICE, SUNDERLAND

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 5 APRIL 2021

The trustees, who are also the directors of St Benedict's Hospice, Sunderland for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

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

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

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

ST BENEDICT'S HOSPICE, SUNDERLAND

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF ST BENEDICT'S HOSPICE, SUNDERLAND

Opinion

We have audited the financial statements of St Benedict's Hospice, Sunderland (the 'charity') for the year ended 5 April 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 5 April 2021 and of its 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 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.

Other information

The other information comprises the information included in the 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 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.

ST BENEDICT'S HOSPICE, SUNDERLAND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ST BENEDICT'S HOSPICE, SUNDERLAND

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 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 statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the 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 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

The Trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed auditors 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.

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.

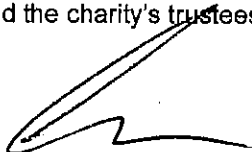
ST BENEDICT'S HOSPICE, SUNDERLAND

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF ST BENEDICT'S HOSPICE, SUNDERLAND

Use of our report

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 auditors' 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.



Chris Tindle BSc FCA (Senior Statutory Auditor)
for and on behalf of Galley & Tindle Audit Limited

20.9.21

Chartered Accountants
Statutory Auditor

Oakmere
Belmont Business Park
Durham
DH1 1TW

Galley & Tindle Audit Limited is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under of section 1212 of the Companies Act 2006.

ST BENEDICT'S HOSPICE, SUNDERLAND

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 5 APRIL 2021

		Unrestricted funds	Designated funds	Restricted funds	Total	Total
	Notes	2021 £	2021 £	2021 £	2021 £	2020 £
<u>Income and endowments from:</u>						
Donations and legacies	3	862,214	-	306,445	1,168,659	500,646
Charitable activities	4	90,548	-	-	90,548	108,074
Other trading activities	5	325,343	-	-	325,343	805,178
Investments	6	24,725	-	-	24,725	28,853
Other income	7	92,678	-	-	92,678	-
Total Income		1,395,508	-	306,445	1,701,953	1,442,751
<u>Expenditure on:</u>						
Raising funds	8	188,371	-	-	188,371	333,037
Charitable activities	9	154,167	-	99,125	253,292	1,139,661
Other	14	435,493	-	-	435,493	461,730
Total resources expended		778,031	-	99,125	877,156	1,934,428
Net income/(expenditure) for the year/ Net movement in funds		617,477	-	207,320	824,797	(491,677)
Net Income/(expenditure) for the year/ Net movement in funds		617,477	-	207,320	824,797	(491,677)
Fund balances at 6 April 2020		303,798	500,000	136,192	939,990	1,431,667
Fund balances at 5 April 2021		921,275	500,000	343,512	1,764,787	939,990

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

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

ST BENEDICT'S HOSPICE, SUNDERLAND

BALANCE SHEET

AS AT 5 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	15		69,806		92,867
Investments	16		1		1
			<u>69,807</u>		<u>92,868</u>
Current assets					
Stocks	17	5,804		9,881	
Debtors	18	400,804		86,200	
Investments	19	776,752		771,771	
Cash at bank and in hand		555,436		93,923	
		<u>1,738,796</u>		<u>961,775</u>	
Creditors: amounts falling due within one year	20	(43,816)		(114,653)	
Net current assets			<u>1,694,980</u>		<u>847,122</u>
Total assets less current liabilities			<u><u>1,764,787</u></u>		<u><u>939,990</u></u>
Income funds					
Restricted funds			343,512		136,192
Designated funds			500,000		500,000
Unrestricted funds			921,275		303,798
			<u>1,764,787</u>		<u>939,990</u>

ST BENEDICT'S HOSPICE, SUNDERLAND

BALANCE SHEET (CONTINUED)

AS AT 5 APRIL 2021

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 5 April 2021, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

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

The financial statements were approved by the Trustees on 16 September 2021



Mr D Moss
Chairman

Company Registration No. 02803974

ST BENEDICT'S HOSPICE, SUNDERLAND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 5 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations			437,283		(199,238)
Investing activities					
Purchase of tangible fixed assets		(495)		(25,310)	
Investment income received		24,725		28,853	
Net cash generated from investing activities			24,230		3,543
Net cash used in financing activities			-		-
Net Increase/(decrease) in cash and cash equivalents			461,513		(195,695)
Cash and cash equivalents at beginning of year			93,923		289,618
Cash and cash equivalents at end of year			555,436		93,923

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

Charity information

St Benedict's Hospice, Sunderland is a private company limited by guarantee incorporated in England and Wales and as such has no share capital. The registered office is St Benedict's Hospice, St Benedict's Way, Ryhope, Sunderland, SR2 0NY.

In the event of the charitable company being wound up, the Trustees would be required to contribute an amount not exceeding £1.

1.1 Accounting convention

The financial statements have been prepared in accordance 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 (FRS 102) (effective 1 January 2019)". The charity is a Public Benefit Entity as defined by FRS 102.

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 £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

Despite the deficit suffered last year, the organisation has shown a surplus this year and the Trustees consider the going concern basis to be appropriate and have taken measures to improve the position further by seeking more funding, pushing more retail through e-commerce and reducing costs where possible.

The organisation has been effected by the impact of COVID-19 in that they have had to close for periods of time during the 2020/21 year. The retail business re-open in the spring/summer of 2021 and it is hoped that there are no further lockdowns on the scale experienced last year.

When making their assessment the organisation has prepared detailed forecasts to 31 March 2022. The financial statements have been prepared on the going concern basis which assumes that the organisation will continue to meet its liabilities as they fall due for at least one year from the date of approval of these financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives. Unrestricted funds include a revaluation reserve representing the restatement of investment assets at market values as stated in the notes to the accounts.

Designated funds comprise funds which have been set aside at the discretion of the trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

1.4 Income

All incoming reserves are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable
- Donated services and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included in these accounts.
- Investment income is included when receivable
- Incoming resources from grants, where related to performance and specific deliverables, are accounted for as the charity earns the right to consideration by its performance

1.5 Expenditure

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be recovered and is reported as part of the expenditure to which it relates:

- Cost of generating funds comprise the costs associated with attracting voluntary income
- Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity
- All costs are allocated between expenditure categories of the SoFA on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on an appropriate basis eg floor areas, per capita or estimated usage as set out in the notes to the financial statements

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	15% Reducing balance
Computers	25% Reducing balance
Motor vehicles	25% Reducing balance
Fixtures and fittings (shops)	Written off over the term of the first lease

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 asset, and is recognised in net income/(expenditure) for the year.

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

1.7 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the charity. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

The organisation owns 1 share in the company North East Hospices Lottery Limited (Company registration Number 03540674).

1.8 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value.

1.10 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 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 the 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 set off 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.

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans 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 payments 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 operations 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.

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Reserves policy

The Charity recognises its important role in fundraising to support the Foundation Trust in dealing with palliative care, to that extent financial provision by way of establishing a reserve to ensure the continuance of this support. This position will be reviewed at each accounts year end and adjusted accordingly to meet any additional financial demands in the support given by the Charity. Above all the Charity must remain flexible in its commitments for the benefit of patients either directly or indirectly. It is the intention of the Charity to expand each year an amount at or equal to its income on its charitable objectives. Any surplus will be invested at minimum risk so as to produce investment income to supplement the Charities ability to meet the demand of the support sought. The policy of the Trustees is to maintain free reserves equal to six month's expenditure or £600,000, whichever is higher.

2 Critical accounting estimates and judgements

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.

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Total
	2021 £	2021 £	2021 £	2020 £
Donations and gifts	386,217	5,445	391,662	332,138
Legacies receivable	277,317	-	277,317	168,508
Grant income	188,680	301,000	489,680	-
Trust Fund	10,000	-	10,000	-
	<u>862,214</u>	<u>306,445</u>	<u>1,168,659</u>	<u>500,646</u>
Donations and gifts				
Donations	258,776	5,445	264,221	159,256
In Memory	94,568	-	94,568	139,189
Gift Aid	32,873	-	32,873	22,204
Other	-	-	-	11,489
	<u>386,217</u>	<u>5,445</u>	<u>391,662</u>	<u>332,138</u>

4 Charitable activities

	Merchandise	Education Income	One Wish Lottery	Total	Total
	2021 £	2021 £	2021 £	2021 £	2020 £
Other income	16,630	7,075	66,843	90,548	108,074
	<u>16,630</u>	<u>7,075</u>	<u>66,843</u>	<u>90,548</u>	<u>108,074</u>

5 Other trading activities

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Fundraising events	21,816	244,589
Sales of donated goods	289,498	509,338
Bistro income	14,029	51,251
Other trading activities	<u>325,343</u>	<u>805,178</u>

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

6 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Investment income	24,725	28,853

7 Other income

	Unrestricted funds	Total
	2021	2020
	£	£
HMRC Furlough	92,678	-

8 Raising funds

	Unrestricted funds	Total
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Other fundraising costs	11,078	118,329
Staff costs	-	59,302
Fundraising and publicity	11,078	177,631
<u>Trading costs</u>		
Operating charity shops	11,813	18,146
Other trading activities	3,984	7,559
Staff costs	133,375	101,120
Trading costs	149,172	126,825
<u>Investment management</u>	28,121	28,581
	188,371	333,037

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

9 Charitable activities

	Hospice operations 2021 £	Total 2021 £	Total 2020 £
Variable NHS support	99,127	99,127	78,415
Special NHS support	-	-	500,000
Transport services	53,395	53,395	56,503
Sky	852	852	1,195
Counselling services	66,814	66,814	61,834
Telephone	979	979	-
	<u>221,167</u>	<u>221,167</u>	<u>697,947</u>
Share of support costs (see note 10)	27,925	27,925	437,714
Share of governance costs (see note 10)	4,200	4,200	4,000
	<u>253,292</u>	<u>253,292</u>	<u>1,139,661</u>
Analysis by fund			
Unrestricted funds	154,167	154,167	1,061,244
Restricted funds	99,125	99,125	78,417
	<u>253,292</u>	<u>253,292</u>	<u>1,139,661</u>

10 Support costs

	Support costs £	Governance costs £	2021 £	2020 £
Depreciation	10,529	-	10,529	17,788
NHS support fixed	8,770	-	8,770	405,307
Professional fees	8,626	-	8,626	14,619
Audit fees	-	4,200	4,200	4,000
	<u>27,925</u>	<u>4,200</u>	<u>32,125</u>	<u>441,714</u>
Analysed between Charitable activities	27,925	4,200	32,125	441,714

Governance costs includes payments to the auditors of £4,200 (2020- £4,000) for audit fees.

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year.

12 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Full time	17	17
Part time	7	6
Total	24	23

There were no employees whose annual remuneration was £60,000 or more.

13 Taxation

As a Charity, St Benedict's Hospice, Sunderland is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or s256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the Charity.

14 Other

	Unrestricted funds 2021	Unrestricted funds 2020
Cost of selling donated goods	423,603	437,050
Cafe & Shop: Cost of goods sold and other costs	11,890	24,680
	435,493	461,730

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

15 Tangible fixed assets

	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£
Cost				
At 6 April 2020	84,355	534	99,448	184,337
Additions	-	495	-	495
At 5 April 2021	84,355	1,029	99,448	184,832
Depreciation and Impairment				
At 6 April 2020	26,950	137	62,871	89,958
Depreciation charged in the year	15,540	384	9,144	25,068
At 5 April 2021	42,490	521	72,015	115,026
Carrying amount				
At 5 April 2021	41,865	508	27,433	69,806
At 5 April 2020	55,896	397	36,574	92,867

16 Fixed asset investments

	Other Investments
Cost or valuation	
At 6 April 2020 & 5 April 2021	1
Carrying amount	
At 05 April 2021	1
At 05 April 2020	1

	Notes	2021 £	2020 £
Other investments comprise:			
Investments in subsidiaries		1	1

The organisation owns a single share in North East Hospices Lottery Limited (Company Registration Number 03540674).

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 5 APRIL 2021

17 Stocks

	2021 £	2020 £
Finished goods and goods for resale	5,804	9,881

18 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Other debtors	311,932	5,702
Prepayments and accrued income	88,872	80,498
	400,804	86,200

19 Current asset investments

	2021 £	2020 £
Unlisted investments	776,752	771,771

The market value of the Barclays Investments at 5 April 2021 was £471,030 (2020: £460,943), which included an unrealised gain of £60,079 (2020: £39,223 loss).

20 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	5,152	92,923
Accruals and deferred income	38,664	21,730
	43,816	114,653

21 Designated funds

At the balance sheet date the charity had a commitment to make a further £500,000 special contribution to the NHS as it has done in previous years.

ST BENEDICT'S HOSPICE, SUNDERLAND

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 5 APRIL 2021

22 Analysis of net assets between funds

	Unrestricted funds 2021 £	Designated funds 2021 £	Restricted funds 2021 £	Total 2021 £	Total 2020 £
Fund balances at 5 April 2021 are represented by:					
Tangible assets	69,806	-	-	69,806	92,867
Investments	1	-	-	1	1
Current assets/(liabilities)	851,468	500,000	343,512	1,694,980	847,122
	<u>921,275</u>	<u>500,000</u>	<u>343,512</u>	<u>1,764,787</u>	<u>939,990</u>

23 Related party transactions

The organisation owns a share in North East Hospices Lottery Limited. During the year donations were made to the organisation of £66,843 (2020: £80,842). This income is shown in other income.