



Shooting Star
Children's Hospices



Report and financial statements for the year ended 31 March 2021

Registered company number: 02927688

Registered charity number: 1042495

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General information

Registered Office

Shooting Star House
 The Avenue
 Hampton
 Middlesex TW12 3RA

Trustees:

Andrew Coppel CBE
 Simon Barker
 Paul Boughton

Chair
 (Director of Chase Hospice Trading Ltd)
 (Treasurer, Chair of Finance and Resources Committee,
 Director of Shooting Star Marketing Ltd, Chase Hospice Trading Ltd and
 Tuckwell Chase Lottery Ltd)
 (Chair of Income Generation Committee)
 (Chair of Care Advisory Group)
 (appointed 23 July 2020)
 (appointed 23 July 2020)
 (Chair of Quality Governance and Risk Group)
 (appointed 23 July 2020)
 (resigned 4 June 2020)

Andrew Cosslett
 Jon Craig
 Andrew Edge
 Mark Garraway
 Jayne Price
 Catherine van't Riet
 Katherine Theobald
 Jonathan Kembery

Bankers and Professional advisors:

Auditor

Buzzacott LLP
 130 Wood Street
 London
 EC2V 6DL

Bankers

Barclays Bank PLC
 Town Gate House
 Church Street East
 Woking, Surrey GU21 6AE

Lloyds Bank PLC
 49 High Street
 Godalming
 Surrey GU7 1AT

Solicitors

Moore Barlow LLP
 The Oriel
 Sydenham Road
 Guildford
 Surrey GU1 3SR

Investment Managers

Brewin Dolphin Ltd
 12 Smithfield Street
 London
 EC1A 9BD

The registered name of the company is Shooting Star Children's Hospices. In accordance with Section 60 of the Companies Act 2006, the company is exempt from the requirements of that Act to include "Limited" as part of its name.

Report of the Trustees for the year ended 31 March 2021

The trustees, who act as directors for the purposes of company law, present their annual report and the audited financial statements for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out on pages 43 to 47 of the attached financial statements and comply with the Articles of Association, the Charities Act 2011, the Companies Act 2006 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 United Kingdom and Republic of Ireland (FRS 102).

Objectives and activities

Purpose

The charity's purpose as set out in the Objects clause in its Articles of Association is *to promote the relief of illness by the provision of palliative care amongst young persons who are suffering from a life-limiting illness or condition.*

Objective

Shooting Star Children's Hospices aims to achieve its purpose primarily through the provision of care services to life-limited children and their families at home, in the community, and at Christopher's and Shooting Star House – our purpose-built hospices in Guildford and Hampton respectively.

Public benefit

In accordance with the requirements of the Charities Act 2011, the trustees have paid due regard to the Charity Commission's guidance on public benefit when deciding and planning Shooting Star Children's Hospices' activities. The sections which follow demonstrate how Shooting Star Children's Hospices met its charitable purpose in FY21 and its principal achievements under its respective strategic priority areas of work.

Our strategy

Our mission:

To provide high quality, safe and effective care, and further develop our service in response to evolving needs.

To achieve this, we need:

- **Innovation and best practice:** To further develop our role as a key driver of innovation and best practice in children's hospice and palliative care.
- **People:** To attract, retain and develop people who have the right skill set and share our values. We want all our people – staff and volunteers – to feel valued for the work they do.
- **Income and awareness:** To generate the income and awareness we need to sustain the vital care service we provide.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Our Care Service

Shooting Star Children's Hospices supports babies, children and young people with life-limiting conditions, and their families, across London (NW and SW London), Surrey and the surrounding areas.

We help families make every moment count by supporting them from diagnosis to end of life and through bereavement with a range of nursing, practical, emotional and medical care.

Our care service is regulated by the Care Quality Commission (CQC). We currently have a rating of Outstanding – the highest possible overall rating – at Christopher's (awarded October 2016) and a rating of Good at Shooting Star House (awarded March 2020).

During the year under review our bespoke support was free of charge to families and included:

- **A Family Support Team:** Caring for a life-limiting child can be daunting and physically exhausting. It can also be difficult to keep on top of things like hospital appointments. As experienced care professionals, our Family Support Team get to know each family and develop an understanding of each child or young person's medical and individual needs. They are there to support and help families.
- **A comprehensive range of virtual therapies and support groups for the whole family:** along with a comprehensive virtual support network offering advice and support groups for the whole family including siblings', teenagers, Dads and peer to peer family support. We also maintained in-house physiotherapy provision during in-house respite care stays.
- **Respite at our Guildford hospice:** Respite provides the children and young people we support with a range of fun, sensory and therapeutic activities, while parents can get a crucial break. Occasionally, a family may require support at short notice due to an unexpected situation. At Shooting Star Children's Hospices, we pride ourselves on our flexible care and will always do our best to support a family in a crisis.
- **Symptom management:** Many of the children we support have very complex and changing symptoms, particularly at end of life. We have a Symptom Care Team, led by one of the country's leading Consultants in Paediatric Palliative Medicine and a team of specialist nurses trained in symptom care, who provide expert advice, including individualised symptom care plans and emergency health care plans, to help improve the child's quality of life. The team are also part of a 24/7 telephone service, enabling families to access support wherever they are.
- **End-of-life care:** One of our fundamental aims is to provide expert nursing and medical care for children at end of life, with support for their families, in their preferred place of care.
- **Bereavement support:** Care does not stop after a child has died. We have a dedicated area at each hospice where a child can lay at rest, allowing their family to say goodbye in a familiar and supportive environment. We will also continue to provide practical and emotional support for the entire family.

We also help young people **transitioning** out of our hospice care, provide **day care**, give guidance and advice on **social support** and are able to care for children with extremely complex needs, including ventilation dependent children, who would not be able to access support elsewhere.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report

Achievements and performance

The 2020/21 financial year has proven to be a most challenging year for the charity, the wider hospice sector and the country due to the global COVID-19 pandemic.

By 1 April 2020, the whole organisation had been forced to change how it operated to ensure the safe provision of care and the safety of its staff. The day before the nation went into lockdown (Monday 23 March 2020) our in-house care provision was moved solely to our Guildford hospice, Christopher's, as it had the most suitable facilities to ensure infection control and decontamination and also had piped oxygen available. We also limited the care we could provide to end-of-life care and emergency respite.

Our non-care workforce moved to home working and we closed all our charity shops. With income generation potentially being paused, we faced unprecedented times and we had to focus on securing the future of Shooting Star Children's Hospices.

Throughout the year under review, all necessary steps were taken to maintain our financial position so that we could continue to deliver care and secure our future as a children's hospice.

The major decisions taken to manage the financial impact of the COVID-19 pandemic included:

- The temporary closure of our Hampton hospice, Shooting Star House (SSH), from an in-house care perspective.
- The launch of an emergency appeal, within a matter of days after going into lockdown, which raised just over £700k.
- Emergency COVID-19 funding of £1.2m from NHS England which was awarded to allow the hospice to make available bed capacity and community support from April 2020 to July 2020, to provide support to people with complex needs in the context of the COVID-19 pandemic and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.
- Availing the charity of the government's Coronavirus Job Retention Scheme to minimise our cost base and to protect jobs, wherever possible. We, therefore, furloughed 85 staff at different points in the year to respond to temporary changes that we needed to make in the workforce.
- Undertaking a significant organisational change between April and July 2020. This impacted all areas of the charity and resulted in c60 roles (c45 FTE) being removed from the organisation.
- Restructuring of the Care Team which reduced the team by 34% but allowed us to focus on three core teams - Hospice Services, Symptom & Community Services and Family Support Services.
- As the 13 retail charity shops were open for on average just 3 to 4 months of this financial year, we negotiated with retail landlords for rent holidays and reduction in rental charges. We ended the year with a reduction to 6 profitable shops and a resulting reduction in staff by 5 following another consultation period in the opening months of the new financial year.
- Following the surrender of the lease for Bridge House, the head office, our administrative and fundraising staff began to utilise SSH from September 2020 within appropriate COVID-19 pandemic guidelines.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

Throughout the year we have continued to deliver in-house emergency and non-emergency respite and end-of-life care at Christopher's. In the first 6 months of the pandemic, beds were opened to children who needed to leave hospital quickly, with 900 bed nights of care delivered in the first 6 months, providing a vital lifeline for our very sick children. From early April to the beginning of July 2020 every family on our caseload was contacted within a 2-week period, to ascertain their support needs and to let them know that we were available for advice or support over the telephone at any time, 24 hours a day. Families then had contact with staff either weekly, bi-weekly or monthly, dependent upon their needs. We also created a programme of virtual hospice care support groups for all our families to access.

The following tables show how we have progressed against our objectives to achieve our purpose and mission over the last year.

To further develop our role as a key driver of innovation and best practice in children's hospice and palliative care

Transform our model of care:

Plans	Achievements
Fully embed the wide-ranging changes made as a result of the COVID-19 pandemic	<p>The wide-ranging changes have included:</p> <ul style="list-style-type: none"> the wholesale restructuring of our care service which included the relocating of all overnight care to our Christopher's hospice; the setting up of a new Family Support Service including a new family helpline; and the reduction of the care staff team by one third <p>A programme of work entitled "Modelling the Future" was carried out which developed and embedded the new operational structures which hold the service together. This included reviewing and revising the Multi-Disciplinary Team (MDT). The MDT weekly meeting is now at the core of our service delivery in developing an outcomes' focussed service model.</p>
Develop and implement a family advisory group to advise co-production of our services	<p>A scoping exercise for this, involving a Trustee, staff and parents has taken place and its first meeting is being held in June 2021.</p> <p>Learning from the online groups run for families throughout the pandemic has been utilised in the planning for this group.</p>
Undertake a full experience survey of our families and young people and implement findings	<p>A survey was sent to all families in September 2020 and we had responses from 54 families. The key findings were that families valued overnight respite and counselling and those that had used the family support line (only open for 1 month when the survey went live) found it very useful.</p>

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

Transform our model of care *(continued)*:

Embed the ethos of clinical medical care in a non-hospital setting	<p>There is a daily meeting at the hospice to discuss children both in-house and in the community – this is attended virtually, and in person, by a multi-disciplinary team. This ensures the most up-to-date information about all urgent cases and issues are discussed together every day.</p> <p>A project to ensure that the most up-to-date clinical information for all children is regularly requested and received, has gathered over 600 letters from clinicians and as an additional outcome, the contacts with these clinicians has updated our contact lists and ensured that we are sent all relevant information regarding our children.</p>
Undertake additional communications with all statutory stakeholders to inform them of changes to our services and to ensure our new services meet their needs	<p>Throughout the pandemic we communicated regularly with our statutory stakeholders to ensure that they were aware of the service that we were providing to our families, who were some of the most vulnerable and isolated during lockdown. We are now working closely with CCG's and LA's to ensure that they have a better understanding of the breadth of the work that we do.</p>

Achieve NICE Quality Standards

Plans	Achievements
Implement actions from Care Quality Commissioners inspection report	As SSH was closed shortly before the inspection report was received, only recommendations related to the physical building were implemented.
Develop the role of non-medical prescribing within the Symptom Care Team	One of the team is now a non-medical prescriber and guidelines have been produced on how this role will develop and work within the hospice service.

Lead change, add value

Plans	Achievements
Deliver 500 nights of respite funded care after the COVID-19 pandemic.	We achieved the delivery of 655 respite funded care nights despite still operating within the restrictions of the COVID-19 pandemic.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

Lead change and add value *(continued)*

Plans	Achievements
Develop and implement regional paediatric palliative care team project in partnership with commissioners and stake holders	Towards the end of the year we secured funding from two CCGs towards the costs of running our Symptom Care Team. This will be a four-year funding project enabling a significant expansion of this team which will benefit both SSCH and the wider community.
Work with Rainbow Trust to implement the joint community project providing holistic support to children and young people nearing the end of life	This project started in September 2020 and has resulted in an excellent working relationship between the Family Support Workers and their counterparts at Rainbow Trust. There are a significant number of families known to both charities and there have also been over 20 referrals made for new families to each service.
Engage with and maximise statutory funding opportunities including the hospices grant, match funding projects and any additional opportunities	The hospice received additional funding from NHS England during the pandemic to make available bed capacity and community support. In addition, we have worked alongside CCG's and Commissioners during the pandemic to develop closer links which has led to additional funding being agreed.

Strong academic links and research programme

Plans	Achievements
Strengthen our research capabilities and seek sponsorship funding to undertake research relevant to children's hospice care	Due to the pandemic, seeking funding for new research work has been temporarily paused; however, we have continued to work alongside a number of different institutions on research studies.
Work with Children's Hospices Across London (CHaL) to undertake a study of fracture injuries in the population of Children's Hospice users	This has not gone ahead due to the pandemic.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

Learning organisation

Plans	Achievements
Implement an electronic system for recording accidents and incidents.	We undertook the implementation of the Vantage electronic incident and accident management system. Due to the COVID-19 pandemic the schedule for completion was delayed but it was achieved in April 2021.
Explore more formal partnerships with our affiliated universities to deliver learning and development.	We are developing and will deliver a simulation teaching programme in partnership with Kingston University utilising a grant from Burdett Trust. The work on this was delayed due to the pandemic.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

To attract, retain and develop people who have the right skill set and share our values. We want all our people – staff and volunteers – to feel valued for the work they do

Due to the impact of COVID-19 pandemic our people priorities have shifted in the last year to a restructuring of the charity to reflect ever changing ways of working and ensure our sustainability. At the same time, we have had a key focus on wellbeing during this very challenging period.

Plans	Achievements
Organisation effectiveness	<p>In response to the pandemic, we undertook a significant organisation change between April and July 2020. This impacted all areas of the charity and resulted in c60 roles being removed from the structure. The change took account of the support that we were able to give to families because of COVID-19 pandemic restrictions and the curtailment of many of our fundraising activities. We ensured a robust and fair process was maintained throughout the re-organisation and the change was implemented smoothly with no resultant employee relations issues. As part of this change, we offered outplacement support to all displaced staff.</p> <p>We also took advantage of the Coronavirus Job Retention Scheme (CJRS) to minimise our cost base and to protect jobs, wherever possible. We, therefore, furloughed 85 staff at different points in the year to respond to temporary changes that we needed to make in the workforce.</p>
Retention & development of our people	<p>We are proud that we completed all 5 modules of the Liberating Leadership programme to our 22 people managers in two learning cohorts, despite the challenges presented by the pandemic. The programme was delivered through a combination of classroom and virtual workshops. The purpose of these workshops was to equip our managers with the right tools and capabilities to ensure that all staff experience a great line manager experience. The success of this programme was reflected in very positive feedback from staff around people manager related questions in our staff survey which was completed in October 2020.</p>

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

To attract, retain and develop people who have the right skill set and share our values. We want all our people – staff and volunteers – to feel valued for the work they do

Plans	Achievements
Ways of working and wellbeing of staff	<p>Due to the impact of COVID-19 pandemic restrictions we had a combination of care staff working at the hospice, non-care staff working predominantly from home and others furloughed as referenced under organisation effectiveness. We put in place the required safety measures both for our Care team and for staff working from home. In our staff survey nearly all our staff responded that they have felt safe in the workplace during the pandemic and our staff who are working a hybrid of home and office working indicated that they felt well supported.</p> <p>We provided regular updates to all staff to ensure they have been kept fully informed of developments and connected to the charity, whatever their working arrangements.</p> <p>We have also focused on staff wellbeing through running recovery workshops, supporting managers in managing the well-being and mental health of their teams, offering virtual Yoga, Pilates and Mindfulness sessions and the introduction of a monthly wellbeing newsletter.</p>
HR system	<p>We have identified and funded an integrated core HR, recruitment and payroll system which will be more comprehensive and efficient than our current system whilst being more cost effective. We have undertaken the necessary preparation to enable implementation between May and July 2021.</p>
Volunteers	<p>Many of our volunteers have had to 'step down' this year due to COVID-19 pandemic restrictions. However, we have been able to retain volunteers in essential roles both in our Christopher's hospice and to support our virtual hospice services.</p> <p>We have maintained regular contact with all our volunteers primarily through digital platforms (e-newsletters, zoom calls and phone calls on a one-to-one basis where needed). This has meant that we have successfully retained nearly 90% of our volunteer base. We have also encouraged volunteers to update their mandatory training online.</p> <p>One benefit of this changed way of communicating and working, is that 98% of our volunteers are now confident with technology as a way of communicating more effectively in a timely way.</p>

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

To generate the income and awareness we need to sustain the vital care service we provide

Delivering maximum possible output from our resources

Plans	Achievements
Fundraising Team efficiencies review and implementation	Due to the impact of the COVID-19 pandemic, there was a need to reduce resource by circa 35%. The restructure stripped back rather than reworked the infrastructure, with the Senior Fundraising Team maintaining core strategic and operational strength thereby enabling solid foundations for an effective rebuild in the future. With the smallest team ever, and in the most challenging fundraising environment, we continued to be as flexible as we could be to changing opportunities and we will keep challenging how we do things to ensure continued focus on the highest return.
Team consolidation	There is a critical need for the team to be at 100%, in order to deliver the targets set. Effective team consolidation following the restructure has been vital to minimise impact on performance. Maintaining a high-performing, motivated and enabled team will continue to be a priority. The ever-changing work environment presented many challenges and to ensure effective and optimised team communications and connections, our team business rhythm has been under continual review. The organisational PRIDE values and the Fundraising Regulator's Fundraising Promise are in our performance appraisal process, setting the expected standard on ways of working for all the team and a culture of collaboration and support has been nurtured as core priority, working together to maximise funding opportunities.
Volunteer resource engagement to maximise productivity	Volunteer engagement has naturally been impacted by the COVID-19 pandemic. Moving forward, we will continue to work closely with the Volunteer Management Team to embrace all volunteer resourcing opportunities wherever possible.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

Delivering maximum possible output from our resources

Plans	Achievements
Embracing digital fundraising opportunities – maintaining and adapting our 'business as usual' income lines in a virtual world	<p>Pre-pandemic, we had introduced contactless card machines for cashless donations at events, along with contactless collection points. We had also begun to explore 'tap to donate' technology fundraising devices within our retail shops, to both embrace the use of new technology in fundraising, and also increase awareness within the local community. This past year has demanded the embracement of digital fundraising opportunities for our survival. We have successfully transitioned to maintain and adapt our 'business as usual' income lines in a virtual world, creating an innovative and engaging virtual portfolio of income activities and optimising the use of digital mechanics and communication channels to more effectively reach our supporters and new audiences.</p> <p>To enable further cashless options for supporters we utilise 'text to donate' giving functionality and are currently exploring the use of QR codes and text to give codes for collection points and events.</p>
Strengthening and development of external strategic partnerships	<p>We continue to support purposeful external collaboration wherever possible, to engage a wider-target audience and enable us to explore otherwise inaccessible sources of income. Working with the Business Development Group of Children's Hospices (BDG) sharing best practice, benchmarking and exploring income collaboration; Children's Hospices Across London (ChaL) and Together for Short Lives to promote sustainability of the sector.</p>

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

Building greater sustainability in our income streams

Plans	Achievements
Continue priority focus for all teams to identify, secure and develop new longer-term sources of income and develop and strengthen existing sources	<p>As a team, we have adopted a long-term approach to all funding opportunities. Any investment is reviewed to ensure we are prioritising a sustainable return. Conversion to regular support is a core team objective and embedded across all team objectives to identify, secure and develop longer-term sources of income.</p> <p>Despite the impact of the COVID-19 pandemic throughout FY 2020/21 and the need for an urgent, more immediate income-generation focus, we have continued to develop and strengthen our sustainable sources of income. Through impactful communications and excellence in supporter care, our regular giving programme has increased both the number and value of support, strengthening the quality of our database. We also continue to highlight to our supporters and new audiences, where appropriate, the importance of Gifts in Wills to the future of SSCH.</p>

Maximise the lifetime value of our supporters

Plans	Achievements
Critical focus on supporter nurturing and prioritisation of relationship fundraising methods, to ensure we maximise support now and for the future	<p>We have developed effective supporter care and stewardship strategies for all supporters, ensuring our communication platforms are fully utilised to engage, nurture, retain and maximise support throughout what has been an extremely challenging year. We continue to set high standards for relationship management and engage with the principles of donor led 'relationship fundraising', with the focus on longer-term retention. Further integration of our core supporter journey, cross-team and organisational-wide, will be a key focus moving forward, to ensure we fully optimise each opportunity. We continue to work with the data team to improve our insight and analytics capability, importantly enabling us to better understand our supporters and their needs.</p>

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

Improve retail profitability

Plans	Achievements
Continue to review and rationalise our retail estate, focusing on our profitable shops	<p>We rationalised our retail structure removing non income generating manager roles in July 2020.</p> <p>We formulated a plan to reduce the number of shops down from 13 to six, retaining our most profitable shops, with a view to completing the restructure in Q1 of 2021/22.</p>

Continue to roll out The Care Database to the hospice sector

Plans	Achievements
Maintain current customer level	We have maintained our customer level, whilst also adding one new customer.
Launch the Medical Interoperability Gateway (The MIG) module into at least one hospice, to enable a link directly to the NHS	We have not achieved this objective. The pandemic saw a majority of hospices halt any new spending.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Achievements and performance *(continued)*

Reduce reputational and financial risk

Plans	Achievements
<p>To effectively minimise financial and reputational risk to Shooting Star Children's Hospices</p>	<p>We continue to minimise reputational and financial risk through:</p> <ul style="list-style-type: none"> • Continuing to follow a robust financial performance planning and monitoring process, working closely with the Senior Fundraising Team, Director of Finance & Resources and Chief Executive • Continuing to monitor our fundraising portfolio, to ensure a balance of income types, minimising over-reliance on volatile and unpredictable sources and focus on increasing sustainable sources for the future • Responsibly managing all resource and project investments • Effective Risk Register management for fundraising/mitigation plans for higher risk activities • Mindfulness of the external fundraising environment, to ensure we can adapt as needed • Continuing to place our organisational values at the foundation of all our activity and promotion of a working culture of respect, openness and honesty in line with the Fundraising Regulator and the Fundraising Promise • Working in line with our Acceptance and Refusal of Donations Policy • Monitoring any changes to fundraising regulation to ensure comprehensive adherence to existing regulations and preparation for future changes to sector legislation • Complying with Shooting Star Children's Hospices' mandatory training programme

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Plans for the coming year

To further develop our role as a key driver of innovation and best practice in children's hospice and palliative care

After the sudden, unforeseen and transformational changes that were made to the delivery of the care services in 2020/21 due to the COVID-19 pandemic, 2021/22 will see a year of consolidation; embedding and evaluating the changes that were made and the re-opening of Shooting Star House in August 2021 as an Outreach, Therapy and Family Support Centre. Our specialist palliative care team will expand and develop into the SPACE team (Specialist Paediatric Palliative Care for Surrey and South West London) using NHS England and CCG match funding monies.

- **Transform our model of care**

- Fully embed the wide-ranging changes made as a result of the COVID-19 pandemic;
- Develop and implement a family advisory group to advise co-production of our services;
- Embed the ethos of clinical medical care in a non-hospital setting; and
- Practice Education - our model has moved to provide predominantly online delivery allowing a wider audience to participate in a convenient and accessible format. Online delivery will continue as our face to face training is phased back in during 2021.

- **Achieve NICE and other Quality Standards**

- The SPACE service which is now funded with support from NHS England and CCGs allows the service to fully implement NICE guidelines on Children and Young People EOL care, including ensuring that we are compliant with the 6 NICE standards;
- Continue to develop best practice to ensure that we are meeting and exceeding CQC guidelines; and
- Outcome Measures that have been developed in the last 9 months will be analysed and will inform future service development.

- **Strong academic links and research programme**

- Strengthen our research capabilities and seek sponsorship funding to undertake research relevant to children's hospice care
 - Work with CHaL to undertake a study of fracture injuries in the population of Children's Hospice users; and
 - Re-apply to the COLT foundation for funding for a hospice-based researcher.

- **Lead change, add value**

- Deliver 1200 nights of respite- funded care after the COVID-19 pandemic;
- Ensure all of the changes in the "Modelling the Future" plan, are embedded and evaluated;
- Develop the SPACE service as per the agreements with the funding CCGs;
- The Community Nursing Team has been refocussed and 2021/22 will see the team embedding new practices and evaluating the needs-focussed EOL care; and
- The Family Support Team will evaluate work of the Family Support Line and establish the Outreach Hub at Shooting Star House. Bereavement Support has been modelled against national standards.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Plans for the coming year *(continued)*

To attract, retain and develop people who have the right skill set and share our values. We want all our people – staff and volunteers – to feel valued for the work they do

- **Organisational effectiveness**
 - Conduct an organisation review of our Retail Operation to ensure that it is 'fit for purpose' and is equipped to deliver a profit for the charity. This will include introducing a more formalised e-Commerce platform and a rationalised estate of shops across our catchment areas;
 - Look at opportunities to refresh our branding and maximise our income generation streams, with an enhanced focus on digital platforms; and
 - Increase our capability in Research & Education and relationship building with relevant external partners.
- **Recruitment, retention, and development of staff**
 - Refresh our employer branding and approach, particularly in relation to attracting clinical staff;
 - Embed the learnings from our 2020/21 Liberating Leadership programme, deliver core manager modules where needed and build people manager capability in Retail; and
 - Through the re-instatement of an Employee Forum we will drive embedding of our core values alongside a renewed focus on diversity and inclusion within the organisation and working more sustainably.
- **Ways of working and wellbeing of staff**
 - Bring non-care staff back to work safely whilst moving to a model of more hybrid working; and
 - Maintain the focus on wellbeing and mental health.
- **Enablers**
 - Our new HR, Recruitment and payroll system will be implemented fully by July 2021.

VOLUNTEERS

- **Mapping and recruitment**
 - Map how many volunteers will be needed this financial year considering the continued challenges of the COVID-19 pandemic;
 - Continue to bring volunteers safely back to work; and
 - Actively recruit for gaps due to vulnerable volunteers who cannot safely return.
- **Introduce local retail inductions**
- **Explore the creation of an alumni group for volunteers and staff**

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Plans for the coming year *(continued)*

To generate the income and awareness we need to sustain the vital care service we provide

Our overarching financial objective for the year ahead is to achieve the agreed budget and remain a key contributor to the delivery of future organisational sustainability. We are passionate about maintaining our performance

momentum and know our core fundraising must continue to work harder than ever to off-set the loss of COVID-19 enabled funding. Equipped with key learnings from last year, we are approaching 2021/22 with confidence but know we must continue to navigate a challenging fundraising environment. The fundraising team target is a net contribution of £3.0m. We plan to achieve this through the delivery of our strategic objectives and aligned key projects:

- **Delivering maximum possible output from our resources**
 - Team optimisation with continued enhancement of ways of working – planning, performance measurement mechanics, values driven, cross-team collaboration, focus on highest return, quality output and effective management of team resource shifts;
 - Further develop and strengthen organisational enablers for optimal support;
 - Strengthening digital / virtual transformations and innovation;
 - Continued volunteer resource optimisation to maximise productivity; and
 - Sector collaboration and strategic partnerships.
- **Building greater sustainability in our income streams**
 - Continue to prioritise conversion to regular support with a sustainable, long-term approach to all funding opportunities;
 - Strengthening of our regular giving programme and more dependable income sources; and
 - Growth of a quality supporter base.
- **Maximising the lifetime value of our supporters**
 - Continued overarching focus on supporter nurturing, excellence in supporter care and prioritisation of relationship fundraising methods, to ensure we maximise support now and for the future; and
 - Strengthening of insight and analytics processes to maximise database potential.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Strategic report *(continued)*

Plans for the coming year *(continued)*

- **Reducing reputational and financial risk – To effectively minimise financial risk we will continue to:**
 - Follow a robust financial performance planning and monitoring process, working closely with the Senior Fundraising Team (SFT), Director of Finance and Resources and CEO;
 - Monitor our fundraising portfolio, ensuring a balance of income types, minimising overreliance on volatile and unpredictable sources and focus on increasing sustainable sources for the future;
 - Responsibly manage all resource and project investments;
 - Ensure effective risk register management for Fundraising / Mitigation planning for higher risk activities;
 - Benchmarking - to identify competitive position, capacities and opportunities;
 - Comply with SSCH mandatory training programme expectations;
 - Be mindful of the external fundraising environment, to ensure we can adapt as needed;
 - Ensure regulatory compliance and engage public confidence through professional and respectful fundraising activity; and
 - Work in line with our Acceptance and Refusal of Donations Policy and place our organisational values at the foundation of all our activity, promoting a working culture of respect, openness and honesty in line with the Fundraising Regulator.
- **Retail**
 - Recover from the devastating impact of the COVID-19 pandemic on the retail-sector;
 - To at least break-even;
 - Develop a professional e-Commerce offering; and
 - Focus on a rationalised estate of shops across our catchment areas to maximise results.
- **Continue to develop The Care Database**
 - Continue to increase the customer base. The target for this financial year is two additional hospice customers; and
 - Maintain current customer level.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Fundraising

As a charity registered with the Fundraising Regulator, we are committed to ensuring our fundraising is legal, open, honest and respectful. Below is our Fundraising Promise, as set by the Fundraising Regulator, which can be found on our website or at the link below:

<https://www.fundraisingregulator.org.uk/more-from-us/resources/fundraising-promise>

No complaints about fundraising activity which required investigation were received in the reporting period.

We promise that...

- **We will commit to high standards**

- We will adhere to the Fundraising Code of Practice.
- We will monitor fundraisers, volunteers and third parties working with us to raise funds, to ensure that they comply with the Code of Fundraising Practice and with this Promise.
- We will comply with the law as it applies to charities and fundraising.
- We will display the Fundraising Regulator badge on our fundraising material to show we are committed to good practice.
- We will be clear, honest and open.
- We will tell the truth and we will not exaggerate.
- We will do what we say we are going to do with donations we receive.
- We will be clear about who we are and what we do.
- We will give a clear explanation of how you can make a gift and change a regular donation.
- Where we ask a third party to fundraise on our behalf, we will make this relationship and the financial arrangement transparent.
- We will be able to explain our fundraising costs and show how they are in the best interests of our cause if challenged.
- We will ensure our complaints process is clear and easily accessible.
- We will provide clear and evidence-based reasons for our decisions on complaints.

- **We will be respectful**

- We will respect your rights and privacy.
- We will not put undue pressure on you to make a gift. If you do not want to give or wish to cease giving, we will respect your decision.
- We will have a procedure for dealing with people in vulnerable circumstances and it will be available on request.
- Where the law requires, we will get your consent before we contact you to fundraise.
- If you tell us that you don't want us to contact you in a particular way we will not do so. We will work with the Telephone, Mail and Fundraising Preference Services to ensure that those who choose not to receive specific types of communication don't have to.

- **We will be fair and reasonable**

- We will treat donors and the public fairly, showing sensitivity and adapting our approach depending on your needs.
- We will take care not to use any images or words that intentionally cause distress or anxiety.
- We will take care not to cause nuisance or disruption to the public.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Fundraising *(continued)*

- **We will be accountable and responsible**

- We will manage our resources responsibly and consider the impact of our fundraising on our donors, supporters and the wider public.
- If you are unhappy with anything we've done whilst fundraising, you can contact us to make a complaint.
- We will listen to feedback and respond appropriately to compliments and criticism we receive.
- We will have a complaints procedure, a copy of which will be available on our website or available on request.
- Our complaints procedure will let you know how to contact the Fundraising Regulator in the event that you feel our response is unsatisfactory.
- We will monitor and record the number of complaints we receive each year and share this data with the Fundraising Regulator on request.

Financial review

This year has been unprecedented in living memory, as the organisation dealt with the impact of the COVID-19 pandemic. As with most other organisations, particularly in the not-for profit sector, income sources were not certain and as the charity had started the year with just over 6 months of operational reserves, significant decisions had to be made to ensure the financial sustainability of the organisation. A deficit budget had been set, taking into account the anticipated impact of the COVID-19 pandemic, resulting in an expected cash deficit of £0.6m.

The hospice sector benefitted from emergency government funding. NHS England awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 pandemic and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose. In total SSCH received £1,240,288 in relation to this funding.

In addition to this emergency funding, the organisation was also able to participate in the Coronavirus Job Retention Scheme, furloughing 85 staff at the start of the pandemic, and retaining certain retail staff on furlough during the winter and spring lockdowns. As a result of this scheme, the organisation was able to claim £690,990 towards the staffing costs of the organisation.

The fundraising team developed an emergency campaign which was distributed to all supporters in late March 2020 as the pandemic took hold. This successful campaign raised £702,995. Overall fundraising income decreased in the year with donations and legacy income down by £1,557,059 in an unusually challenging fundraising climate. This was due primarily to a decrease in legacy income of £1,521,850.

Statutory income increased in the year by £1,230,649, which included the emergency NHSE funding of £1,240,288 mentioned above, £276,000 of funding from Surrey Heartlands and South West London CCGs for the Symptom Care team and an increase in our central NHSE children's grant of £226,313. Income from assessed and end of life nights decreased by £280,766, due to the fact that we did not charge for respite or EOL for the first quarter of the year given the additional NHSE funding received through the COVID-19 emergency funding programme.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Financial review *(continued)*

The Care Database is now live with twelve external children's hospices, as well as internally with SSCH. The subsidiary Chase Hospice Trading Ltd made a profit of £130,968 in the year (2020: profit £22,723). There was one new customer sign up in the year and they will go live in the first quarter of 2021/22.

Retail income was particularly badly impacted by the COVID-19 pandemic as, on average, our charity shops were only open for 3-4 months of the financial year. This meant that shop sales were down 82% to £257,869. Additional Retail and Hospitality grants of £64,096 were received in the year, together with £80,890 which was claimed under a business interruption clause in our insurance cover. We also negotiated with the retail estate's landlords to secure reductions in rent charges of c£110k. As a result of the COVID-19 pandemic the decision was taken to exit a number of shops in order to focus on the more profitable ones and to be able to focus on the key objective of returning retail to profit.

Joint venture lottery income increased by £86,499, or 20% in the year. This was an extraordinary rise caused by the inability to canvas for new players, thereby reducing the costs incurred. Overall, total income decreased by 10% from £11,090,612 in 2019/20 to £10,005,537 in 2020/21.

Total expenditure decreased by 18% from £10,729,290 in 2019/20 to £8,782,146 in 2020/21. This expenditure included the impact of making 60 people redundant as part of the organisational restructure undertaken to address the impact of the COVID-19 pandemic, as well as exiting the Head Office at Bridge House in Addlestone, Surrey. The net cost of surrendering the lease, which was not due to expire until July 2027 was £447,223.

Costs of generating funds decreased by 25% from £1,654,521 in 2019/20 to £1,238,645 in 2020/21. This represents 31% of donor income, which compares favourably to similar charities of our size and scope. One of the main reason for this significant decrease was the fact that there were no in-person events or fundraising opportunities.

Care expenditure decreased by 16% from £7,187,753 to £6,052,420. At the start of the pandemic the decision was taken to deliver all of our in-house care from one location, Christopher's in Guildford. This meant that significant cost savings were made from the closure of SSH to in-house care. From the strategic review it is clear that we were still able to deliver the same amount of care across our area, albeit in different ways.

The financial model of the charity still contains significant risks as the charity is more heavily reliant on income from fundraising than other children's hospices around the country, which have far greater sustainable financial support from statutory sources. Fundraising income by its very nature is volatile and in the past Shooting Star Children's Hospices has been reliant on large one-off donations and legacies to support its work.

Other support costs decreased by 6% from £2,257,830 to £2,113,163. The charity continues to aim to keep support costs as low as possible whilst retaining a safe and efficient environment for the delivery of care.

Net unrestricted income (before transfers and movements on investments and investment property) amounted to £1,223,391 (2020: net income £361,322). If unrestricted depreciation and amortisation of £632,309 (2020: £601,932) were excluded, the charity would have made a surplus of £1,855,700 (2020: surplus £963,254). The charity had budgeted for a cash deficit in the year of £697,000.

A deficit budget of £467,000 (cash surplus £117,000) has been set for the financial year 2021/22. The budget will be monitored by way of quarterly forecasting, but the charity is aiming to retain c11 months of operational reserves.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Reserves policy

Total reserves amounted to £13,552,155. This was made up of five elements:

1. Restricted funds

Restricted funds amount to £286,178 and represent unspent funds at the end of the year. Each restricted fund is spent as quickly as possible in compliance with the restrictions under which it has been given.

2. Endowed funds

This related to funds donated under the understanding that income would be used to support our services. These amounted to £59,434 at the year-end

3. Fixed Asset funds

Fixed Asset funds are used to record the properties owned and used by the charity. These properties related to the two hospice sites owned by the charity (Christopher's and Shooting Star House). These funds amounted to £4,124,293 at the year-end.

4. Non-charitable subsidiary reserves

These amount to £727,784. Of this £936,595 is held so Chase Hospice Trading Ltd, the trading subsidiary has capital for the operation of marketing and selling The Care Database. Shooting Star Marketing Ltd, the trading subsidiary which largely functions as a retail operation, currently has negative reserves of £208,811. It requires working capital to continue activities and is therefore being supported by the parent charity.

General funds

General funds are the funds of the charity that can be used to maintain stability of the operations allowing for increases or decreases in income. The policy for holding general reserves has been established by the trustees taking account of the following long-term considerations:

- The long-term commitment to care that we undertake to our beneficiaries, which can extend over a period of 19 years;
- The commitment we have as an employer, for the job security of our staff, bearing in mind the large proportion of our expenditure that is in staff costs;
- The substantial fluctuations in annual income from supporters;
- The need to fund increases in demand from children and families; and
- The objectives set as part of the strategic review.

The reserves of the charity are regarded as having three layers each set at approximately three months of planned gross operating expenditure (so before any account is taken of incoming revenues):

The first layer is intended to smooth out limited and temporary shortfalls in income to provide funds to protect services at current levels and/or to make further investment in fundraising. The funds for this layer are held in bank current accounts and short-term cash deposits (up to six months), and immediately realisable short dated UK gilts.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Reserves policy *(continued)*

Total reserves objective and actual reserves

The second layer would allow the charity to conduct a measured reduction in expenditure when a fall in income appears to be of a substantial or longer-term nature. The funds for this layer are held in medium/long-term cash deposits (up to 18 months) and/or liquid UK blue chip equities.

The third layer is held to avoid the need to take an excessively cautious stance whilst rebuilding reserve levels following expenditure cuts and provides a strategic minimum reserve fund. The funds for this layer are invested in gilts or equities, with a view to long-term growth but with limited downside risk.

The target level of Shooting Star Children's Hospices reserves is thus set at between 6 and 9 months of cash operating expenditure (excluding depreciation). Actual free (general fund on the balance sheet) reserves at the year-end stood at £8,298,152 (2020: £5,388,497). This actually represents 11.0 months (2020: 6.2 months) of cash operating expenditure which means that reserves are above the 6 to 9 month target but as stated below a deficit budget has been set for 2021/22. These reserves will also allow the organisation to continue to recover from the impacts of the COVID-19 pandemic.

The Trustees have considered the impact of the COVID-19 pandemic on income and reserves and are satisfied that the current reserve policies are appropriate and can be achieved by the charity.

The budget for 2021/22 has been set at a £0.5m deficit due to the ongoing potential impact of the COVID-19 pandemic. This would see reserves remain at the higher end of the target range. Longer term forecasts also indicate reserves remain at the higher end of the target range and are therefore no cause for concern.

Investment policy, objectives and monitoring

The Investment Objectives are to ensure that the charity's surplus funds are invested to produce a market rate of return consistent with the obligation to meet immediate financial needs and to take account of future spending commitments, possible unplanned changes in activities and the general economic outlook. Any additional funds are invested to provide income and long-term growth within the charity's risk profile.

The attitude to risk is formally described as being a low to medium risk profile, recognising the need to diversify risk across institutions and asset classes. The investment managers are targeted with a total of 6% annual net return on a long-term basis. For liquidity to be guaranteed in the portfolio the charity aims to keep £0.5m in short dated UK gilts.

Bank accounts and deposit amounts may only be held with major UK banks, which have been specifically approved by the Board and not more than £3 million (or 50% of the total General Reserves, whichever is the lesser) with any one bank group. High risk investments such as traded options and futures are prohibited.

The amount available for investment will be as determined in the Reserves Policy. To account for ethical considerations the charity will not invest in any organisation where there is a practical conflict with our aims and activities and will avoid investments which may hamper our work by making potential beneficiaries unwilling to use the services of the charity, or that would alienate significant support.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Reserves policy *(continued)*

Investment policy, objectives and monitoring *(continued)*

The charity does not consciously make any investments in the armaments, tobacco or pornography industries. Investment decisions are the responsibility of the Board who also agree the Investment Policy. However, the Board delegates management of part of the investments to an approved investment adviser, in accordance with an agreement approved by the Board, and delegates to the Finance and Resources Committee the monitoring of investment performance and the management of the remaining part of the portfolio, which is held in cash and near cash deposits with financial institutions approved by the Board. The Committee meets with the Fund Managers twice a year to review performance and investment objectives.

Equities should not represent more than 65% of total investments at any time, which the trustees are advised is consistent with the majority of similarly sized charity investment portfolios and investment mandates.

The charity uses the services of Teknometry Limited to assist in evaluating the performance of the portfolio. The return on the portfolio during the year was measured at 29.7% versus the benchmark of 23.5%.

The trustees are mindful of the uncertain times and are regularly reviewing the performance of the investments with the investment managers. Whilst the portfolio lost c17% of its value in the final quarter of the previous year, due to the impact of the COVID-19 pandemic, ending the year at £3.0m, since then the portfolio has regained all of its previous value, ending the year at £3.9m.

Risk management

The trustees are responsible for the effective management of the range of risks that apply to the operation of the charity, including ensuring that internal controls are in place and operating as intended. Risks are assessed on the basis of their likelihood and potential impact, along with the mitigation strategies in place to manage them.

As part of our Clinical Governance processes we hold a clinical-risks register which is scrutinised by the Clinical Governance Committee and ultimately the Board. A separate risk register is maintained for non-clinical risks, which is regularly reviewed by the Finance and Resources Committee and periodically by the Board. The overall risk register undergoes operational review and updates regularly, taking mitigating action as required to reduce and control the risks. Both risk registers have been reviewed, in light of the COVID-19 pandemic. The highest risks for the year 2020/21 are included below:

A Clinical Risks

Impact of COVID-19 pandemic

The impact of COVID-19 on the children continues to be a risk to them and to their families. The measures we put in place in March 2020 and have continued with, to manage the care that we provide, have protected our children, families and staff during the course of 2020/21 and into the new year. We moved our in-house provision to our Guildford hospice, Christopher's, as it had the most suitable facilities to ensure infection control and decontamination, it had piped oxygen available and its location was felt to be more suitable. We limited the care we could provide to end-of-life care and emergency respite. We created a care bubble in part of the hospice during the initial months of the pandemic, widening the bubble to the whole hospice when we were able to, with appropriate social distancing. We took all the steps necessary to ensure that we minimised the risk of COVID-19 within the hospice itself and the hospice remained COVID free all year.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Risk management *(continued)*

A Clinical Risks *(continued)*

Impact of COVID-19 pandemic *(continued)*

As a result of the restructure, care costs have been reduced by 16% without any significant decrease in service or our ability to reach those who need us the most.

Risk of dispute over treatment or handling of any young person

With the current climate of media interest in healthcare, the speed and reach of social media and higher expectations from families in general, we acknowledge that the high-risk care we provide carries a risk of disagreement or dispute. In order to mitigate these risks, we work in partnership with families as much as possible and ensure high quality clinical governance processes including responses to family concerns or complaints and post incident reviews. We also have support and clinical governance from a Paediatric Palliative Care Consultant.

Failure to keep and update family records properly

Following the implementation of the new care database system, we continue to carry a moderate risk in maintaining family records due to the risk of unexpected errors or failures due to lack of knowledge and experience of the new system. We have a system for reviewing incidents relating to The Care Database and have mitigating measures to address any concerns as they arise to ensure the safety of patients. Downtime procedures have been implemented and a new policy drafted.

B Non-Clinical Risks

Global challenges

The charity's main areas of risk continue to be assessed in the light of the ongoing global COVID-19 pandemic. These are common areas of risk amongst organisations both within and outside the charity sector. They include:

- Cashflow sensitivity, which is addressed by the charity's reserves policy, together with control over the level and timing of expenditure;
- High reliance on fundraising income as detailed below; and
- Compliance with data protection regulation (GDPR) with regards to fundraising and donor communication – we have the experience of the donor at the heart of all our fundraising decisions and we have clear GDPR policies for communication with our donors

Organisational financial challenges

As outlined above, the year ended 31 March 2021 was an unprecedented one for the charity, which involved managing the care offered to children and families, within the confines created by the COVID-19 pandemic.

The key risks the charity faced continued to relate to its financial model with its high reliance on fundraising, with approximately just 16% of income being derived from statutory and assessed funding. In the year under review the emergency COVID-19 pandemic funding meant that this percentage increased to 29% but this will not be the case in future years.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Risk management *(continued)*

B Non-Clinical Risks *(continued)*

The central grant received from NHS England had increased in 19/20 to £698,299 and it increased further this year to £924,612 (32% increase). This covers c10% of total expenditure, an increase from 6.5% in the previous year. This measure may be slightly distorted given the impact of the COVID-19 pandemic on the operation of the service and the costs incurred.

The remaining statutory income is derived from spot purchasing from Local Authorities, Clinical Commissioning Groups (CCGs) and personal budgets which is, in itself, unpredictable. This was seen in the current year where we did not charge for assessed nights in the first quarter due to the additional COVID-19 pandemic emergency funding received from NHSE. The amount charged in the year was £425,979 (2020: £706,745).

The charity was successful in its fundraising with £4,840,045 raised in the current year in the face of stiff competition from other charities and children's hospices and a difficult fundraising environment, particularly given the impact of the COVID-19 pandemic. A proportion of this fundraising income was received from COVID-19 pandemic related foundation and grant related funding. The overall decrease was due to a fall in legacy income from £2,151,262 to £629,412.

However, fundraising income whilst hugely important to the charity, does not generate the certainty of income the charity needs to guarantee the essential services it provides each year. We are incredibly grateful to all our supporters who have ensured the charity can continue to provide a range of services, particularly during such an unprecedented year as the one under review.

The charity's strategy in recent years has been to diversify income to reduce reliance on core fundraising towards predictable longer-term forms of income, such as income from retail operations, the lottery and The Care Database. However, these commercial operations carry their own significant financial and operating risks.

Overall, there remains a risk of not providing sufficient income to ensure delivery of the charity's essential care service.

Database delivery to other hospices and health care organisations

The charity itself has successfully and safely adopted The Care Database and the charity's wholly owned subsidiary, Chase Hospice Trading Ltd, has now signed contracts to deliver the database to thirteen other external hospices and healthcare organisations. These hospices are all now live with the system, apart from one which signed their contract just before the end of the financial year and all are being supported on a daily basis by two members of staff. The company made an increased profit in the financial year under review and anticipates that this will be maintained in the future.

We are proud to announce that Chase Hospice Trading Ltd is now ISO27001 certified. Security of customers' data is of the utmost importance and this certification is just the beginning of the quest for continuous improvement

Impact of the COVID-19 pandemic

During the period from 31 March 2021 to the date that the financial statements were approved, the COVID-19 pandemic had continued to cause extensive disruptions to businesses as well as economic activities globally including the UK.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Risk management *(continued)*

B Non-Clinical Risks *(continued)*

Impact of COVID 19 *(continued)*

We have considered the ongoing effects of the 2020 outbreak of COVID-19 pandemic on the charity's operations and have concluded that the impact on it is likely to be limited. Following the advice issued by the UK Government in March 2020 regarding employees working from home and other social distancing measures, we enacted procedures to facilitate this and implemented a detailed plan that enabled effective operation to continue whilst employees continue to not be physically present in the charity's offices.

Trustees acknowledge and recognise the potential impact of the COVID-19 pandemic on the future operations of the charity, its beneficiaries, partners and stakeholders and on wider society. As well as the personal risk to the health of its staff, the charity may lose planned income as the result of the cancellation of events and/or the absence of key personnel although there may be some expenditure savings also. The reduced opportunities for scheduled face to face interaction may well impact on the ability to plan effectively for the medium term but it is not anticipated at the current time that the overall financial position of the charity will be adversely affected or its financial solvency threatened.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Structure, governance and management

Trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the income 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;
- observe the methods and principles in Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing the accounts in accordance with the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 charitable company will continue in operation.

Each of the trustees confirms that:

- so far as the trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustee has taken all the steps that he/she ought to have taken as a trustee in order to make him/her aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

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

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Structure, governance and management *(continued)*

Internal control effectiveness

The systems of internal controls are designed to provide reasonable, but not absolute, assurance against material miss-statement or loss. They include:

- An annual budget approved by Board of Trustees
- Regular forecasts to predict the likely outcome for the financial year
- Regular monitoring of actual performance against budgets and forecasts
- Delegation of authority to managers for expenditure within budget limits
- Segregation of duties
- Identification and management of risk
- Its assets are safeguarded against unauthorised use or disposition
- Proper records are maintained, and financial information used within the charity or for publication is reliable
- The charity complies with relevant laws and regulations
- A system of effective clinical governance is in place

Structure, governance and management

Shooting Star Children's Hospices is a registered charity and is incorporated as a charitable company limited by guarantee. It is governed by its Memorandum and Articles of Association and is controlled by the Board of Trustees. The Board of Trustees meet at least quarterly to monitor progress and to take decisions concerning the strategic direction of the charity. Board meetings are also attended by the Chief Executive and Organisation Leadership Team.

The Chief Executive is appointed by the Board of Trustees to manage the day-to-day operations of the charity. All trustees give their time voluntarily and receive no benefit or remuneration from the charity.

During the year there were four operating sub-committees of the Board whose work is to link governance more closely to the clinical services provided by the charity and to enhance risk management and audit across the organisation. These are the Finance and Resources Committee, the Care Advisory Sub-Committee, the Quality Governance and Risk Committee and the Income Generation Committee, each of which meets four times a year. Individual trustees are appointed as Lead Trustees to each of these areas. Responsibility for oversight of each item in the charity's Risk Register has been devolved to the appropriate committee to ensure that systems and procedures are in place, and are kept up to date, in order to monitor and mitigate exposure to those risks.

New trustees are recruited to the Board in order to ensure that collectively the Board has the proper range of skills and competencies. Induction and training procedures for new trustees include individual briefings by other trustees and by senior management together with an ongoing section of the Trustee meetings which examines separately an area of the charity's activities in depth.

Report of the Trustees for the year ended 31 March 2021 *(continued)*

Structure, governance and management *(continued)*

The Board approves the annual operational plan and a detailed budget, following initial scrutiny by the Finance and Resources Committee. The staff of the charity are authorised to work within the framework of the operational plan and budget, under the direction of the Chief Executive. The trustees receive regular reports from the Chief Executive and Organisation Leadership Team, comprising a range of service-related, financial and other written information to enable them to measure the charity's performance against specific budgets, targets and objectives for the year. The Chief Executive meets collectively with operational directors monthly as members of the Organisational Leadership Team.

Shooting Star Children's Hospices has two subsidiary companies. Shooting Star Marketing Limited is engaged in the sale of merchandise and donated goods via the charity's own managed charity shops. Chase Hospice Trading Limited is managing the development and service delivery of The Care Database.

Shooting Star Children's Hospices also owns 50% of Tuckwell Chase Lottery Limited under the terms of a joint venture agreement with Phyllis Tuckwell Memorial Hospice Limited. The charity has three seats on the board and the Chairman is a Trustee of Shooting Star Children's Hospices on rotation.

Key management personnel

The key management personnel of Shooting Star Children's Hospices, responsible for directing and controlling the operations of the charity on a day to day basis, comprise the trustees and members of the Operational Leadership Team. The Operational Leadership Team is defined as follows:

Chief Executive	Nigel Harding
Executive Vice President	Karen Sugarman
Acting Director of Care	Geraldine Sheedy
Director of Operations	Jo Cohen
Director of Fundraising Operations	Sally Wells
Director of Finance and Resources	Jennifer Johnson
Interim Director of HR	Clare Reilly

The remuneration of the Operational Leadership Team is benchmarked via reference to similar roles within other organisations of a similar scope and size taking account of differing levels of responsibility. Any variations in remuneration are approved by the trustees.

Approved by the trustees on 19 July 2021 and signed on their behalf by:



Andrew Coppel CBE
Chair

Independent auditor's report to the members of Shooting Star Children's Hospices

Opinion

We have audited the financial statements of Shooting Star Children's Hospices (the 'charitable parent company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the group statement of financial activities, group and charitable parent company balance sheets and statement of cash flows, the principal accounting policies and the notes to the financial statements. 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, the financial statements:

- give a true and fair view of the state of the group's and of the charitable parent company's affairs as at 31 March 2021 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 opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group 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 group and charitable parent 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.

Independent auditor's report to the members of Shooting Star Children's Hospices *(continued)*

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report and financial statements, 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, which is also the directors' report for the purposes of company law and includes the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report, which is also the directors' report for the purposes of company law and includes the strategic report, has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

- proper and adequate accounting records have not been kept by the charitable parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the charitable parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Independent auditor's report to the members of Shooting Star Children's Hospices *(continued)*

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and the charitable parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the charitable parent 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:

How the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the charity through discussions with management and trustees and from our knowledge and experience of the charity sector;
- We focused on specific laws and regulations which we considered may have a direct material effect on the accounts or the activities of the charity. These included but were not limited to the Companies Act 2006; the Charities Act 2011; Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to the United Kingdom and Republic of Ireland (FRS 102) (effective 1 January 2019), legislation and regulations specific to Hospices (including the Care Quality Commission), Safeguarding Regulations, GDPR, fundraising regulations; and
- We assess the extent of compliance with laws and regulations identified above by making enquiries of management and representatives of the trustees and review of the minutes of trustees' meetings.

Independent auditor's report to the members of Shooting Star Children's Hospices *(continued)*

How the audit was considered capable of detecting irregularities including fraud *(continued)*

We assessed the susceptibility of the charity's financial statements to material misstatement, including how fraud might occur by:

- Making enquiries of management and representatives of the trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested and reviewed journal entries to identify unusual transactions;
- Tested the authorisation of expenditure;
- Tested the implementation of financial controls;
- Assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of trustees; and
- Enquiring of as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the trustees and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Independent auditor's report to the members of Shooting Star Children's Hospices *(continued)*

Use of our report

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



29 July 2021

Catherine Biscoe (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

Consolidated statement of financial activities

(Including Income and Expenditure Account) For the Year Ended 31 March 2021

	Notes	Un- restricted Funds	Restricted Funds	Endowed funds	Total 2021	Total 2020
		£	£	£	£	£
Income and endowments from						
Donations and legacies	2	3,683,330	298,845	-	3,982,175	5,539,234
Other trading activities						
Retail and other income		978,195	-	-	978,195	2,205,346
Lottery income		439,001	-	-	439,001	223,856
Events and other income		418,869	-	-	418,869	875,654
	3	1,836,065	-	-	1,836,065	3,304,856
Investment income	5	90,670	-	-	90,670	118,942
Charitable activities						
NHS England Grants	4	-	924,612	-	924,612	698,299
HM Treasury COVID-19 emergency funding	4	-	1,240,288	-	1,240,288	-
Other grants	4	-	276,000	-	276,000	231,186
Other charitable assessed income	4	425,979	-	-	425,979	706,745
		425,979	2,440,900	-	2,866,879	1,636,230
Other income:						
Net interest in the results of the joint venture		529,127	-	-	529,127	442,628
Other income	6	700,621	-	-	700,621	48,722
Total income and endowments		7,265,792	2,739,745	-	10,005,537	11,090,612

	Notes	Un-restricted Funds £	Restricted Funds £	Endowed Funds £	Total 2021 £	Total 2020 £
Expenditure on:						
Raising funds						
Costs of generating donations		1,238,645	-	-	1,238,645	1,654,521
Costs of managing investments		16,765	-	-	16,765	18,699
Trading activities		1,474,316	-	-	1,474,316	1,868,317
		<u>2,729,726</u>	<u>-</u>	<u>-</u>	<u>2,729,726</u>	<u>3,541,537</u>
Expenditure on charitable activities						
Hospice care		1,167,446	2,684,932	-	3,852,378	4,733,914
Hospice at home		505,700	22,240	-	527,940	869,830
Therapy		375,058	65,377	-	440,435	418,781
Practice education & quality		272,332	-	-	272,332	290,582
Care support costs		959,335	-	-	959,335	874,646
Total charitable expenditure		<u>3,279,871</u>	<u>2,772,549</u>	<u>-</u>	<u>6,052,420</u>	<u>7,187,753</u>
Total expenditure	7	<u>6,009,597</u>	<u>2,772,549</u>	<u>-</u>	<u>8,782,146</u>	<u>10,729,290</u>
Net income/(expenditure) before transfers and investment gains /(losses)	8	1,256,195	(32,804)	-	1,223,391	361,322
Net gains/(losses) on investment assets	13	828,670	-	-	828,670	(359,218)
		<u>2,084,865</u>	<u>(32,804)</u>	<u>-</u>	<u>2,052,061</u>	<u>2,104</u>
Net income/(expenditure) and net movement in funds						
Fund balances at 1 April 2020		11,091,678	318,982	59,434	11,470,094	11,467,990
Fund balances at 31 March 2021	21	<u>£13,176,543</u>	<u>£286,178</u>	<u>£59,434</u>	<u>£13,522,155</u>	<u>£11,470,094</u>

The notes form part of these financial statements. All of the company's charitable activities during the above two financial periods were derived from continuing operations. The charitable company has no recognised gains and losses other than those shown above.

The full consolidated statement of financial activities for 2020 is shown in note 28.

Group and charity balance sheets at 31 March 2021

	Notes	Group 2021 £	2020 £	Charity 2021 £	2020 £
Fixed Assets					
Intangible assets	11	756,874	841,643	26,314	30,746
Tangible assets	12	4,124,293	4,596,517	4,079,007	4,460,418
Fixed asset investments	13	3,859,424	3,051,339	3,859,424	3,051,339
Investment in subsidiary		-	-	1,063,409	1,063,409
		8,740,591	8,489,499	9,028,154	8,605,912
Current Assets					
Debtors	14	1,380,662	2,546,061	1,662,926	2,341,858
Cash at bank		4,510,537	1,546,801	3,546,712	1,159,863
		5,891,199	4,092,862	5,209,638	3,501,721
Creditors - Amounts Falling Due Within One Year	15	(1,109,635)	(1,112,267)	(380,016)	(650,050)
Net Current Assets		4,781,564	2,980,595	4,829,622	2,851,671
Net Assets		£13,522,155	£11,470,094	£13,857,776	£11,457,583
Funds of the Group/ Charity					
Restricted funds	17	286,178	318,982	286,178	318,982
Endowment funds	18	59,434	59,434	59,434	59,434
Tangible Fixed Asset fund	19	4,124,293	4,596,517	4,079,007	4,460,418
General funds	21	8,324,466	5,419,243	9,433,157	6,618,749
Non-charitable subsidiary reserves	10	727,784	1,075,918	-	-
		£13,522,155	£11,470,094	£13,857,776	£11,457,583

The notes form part of these financial statements.

These Financial Statements were approved by the Board of Trustees on 19 July 2021 and were signed on their behalf by:



.....
 Andrew Coppel CBE – Chair



.....
 Paul Boughton – Treasurer

Company registration number 02927688 (England and Wales).

Consolidated statement of cashflows

For the Year Ended 31 March 2021

		2021		2020	
	Notes	£	£	£	£
Net cash flows from operating activities					
Net cash generated by operating activities	22		2,935,196		194,883
Cash flows from investing activities					
Dividends, interest and rents from investments	5	90,670		118,942	
Payments to acquire intangible assets	11	(37,851)		(87,482)	
Payments to acquire tangible fixed assets	12	(44,864)		(156,349)	
Payments to acquire investments	13	(681,509)		(916,388)	
Receipts from disposals of investments	13	689,514		1,446,866	
Net cash provided by investing activities			15,960		405,589
Change in cash and cash equivalents in the year			2,951,156		600,472
Cash & cash equivalents at 1 April 2020	23		1,609,994		1,009,522
Cash & cash equivalents at 31 March 2021	23		£4,561,150		£1,609,994

The notes form part of these financial statements.

No separate reconciliation of net debt has been prepared as there is no difference between the net cash (debt) of the charity and the above cash and cash equivalents.

Notes to the financial statements for the year ended 31 March 2021

1. Accounting policies

The following accounting policies adopted, judgements and key sources of estimation and uncertainty in the preparation of the financial statements are set out below.

Basis of accounting

The financial statements have been prepared under the historical cost convention with items initially recognised at cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) ('Charities FRS 102 SORP 2015'), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The charity constitutes a public benefit entity as defined by FRS 102.

The financial statements are presented in sterling and are rounded to the nearest pound.

Basis of consolidation

The group financial statements consolidate the financial statements of the parent company and its subsidiary undertakings for the year ended 31 March 2021. Investments in joint ventures (where the group holds an interest on a long-term basis and is jointly controlled by the charitable company and one or more other ventures under a contractual arrangement) are included in the group financial statements using the 'equity' method. The group discloses its share of joint ventures' operating result in the consolidated statement of financial activities and its share of the gross assets and liabilities in the consolidated balance sheet.

In the charitable company's financial statements, investments in subsidiary undertakings are stated at cost.

No separate Statement of Financial Activities (SOFA) has been presented for the charity alone as permitted by the Companies Act 2006 and the SORP. All amounts within these financial statements relate to the group unless otherwise stated. The charity has taken advantage of the exemption under FRS 102 section 33.1 not to disclose transactions between group companies.

Critical accounting estimates and areas of judgement

The most significant area of judgement that affects items in the accounts are the estimates involved in the recognition of legacy income, analysing revenue and expenditure between restricted and unrestricted funds. The methods of valuation are outlined below.

The items in the accounts where these judgements and estimates have been made include:

- estimating the useful economic life of intangible fixed assets;
- estimating the useful economic life of tangible fixed assets;
- determining the basis for allocating support costs;
- accounting for legacy income; and
- estimating future income and expenditure for the purpose of assessing going concern.

Notes to the financial statements for the year ended 31 March 2021 *(cont'd)*

1. Accounting policies *(cont'd)*

Going concern

The trustees have reviewed the charity's cashflow and reserves position in relation to operating overheads and have assessed whether the use of the going concern assumption is appropriate in preparing these financial statements. The trustees have made this assessment in respect to a period of at least one year from the date of approval of these financial statements, to July 2022.

The trustees have concluded that there are no material uncertainties related to events or conditions that may cast significant doubt on the ability of the charity to continue as a going concern. The trustees are of the opinion that the charity will have sufficient resources to meet its liabilities as they fall due.

The most significant areas of judgement that affect items in the accounts are detailed above. With regard to the next accounting period, the year ending 31 March 2022, the most significant areas that affect the carrying value of the assets held by the charity are legacy recognition, the level of investment return and the performance of the investment markets, together with the ongoing impact of the COVID-19 pandemic.

Income

Income is recognised in the period in which the charity is entitled to receipt and the amount can be measured reliably and it is probable that the income will be received. Income is deferred only when the charity has to fulfil conditions before becoming entitled to it or where the donor or funder has specified that the income is to be expended in a future accounting period. Income comprises donations, legacies, grants, interest receivable and investment income.

Grants and donations from government and other agencies and charitable foundations are included as income from activities in furtherance of the charity's objectives where these amount to a contract for services, but as voluntary income where the money is given in response to an appeal or with greater freedom of use, for example monies for core funding.

Legacies are included in the statement of financial activities when the charity is entitled to the legacy, the executors have established that there are sufficient surplus assets in the estate to pay the legacy, and any conditions attached to the legacy are within the control of the charity.

Entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, but the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title of the asset having been transferred to the charity.

Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

Notes to the financial statements for the year ended 31 March 2021 *(cont'd)*

1. Accounting policies *(cont'd)*

Income *(continued)*

Income from the Government's Coronavirus Job Retention Scheme, and other Government COVID-19 related grants, is recognised when the charity has made a valid claim for the income, the amount can be measured and when it is entitled to receive the income.

Joint venture

The basis on which the group's 50% interest in Tuckwell CHASE Lottery Limited is included within the group financial statements is described under basis of consolidation above.

Expenditure and the basis of apportioning costs

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

All expenditure is accounted for on an accruals basis. Expenditure comprises direct costs and support costs. All expenses, including support costs, are allocated or apportioned to the applicable expenditure headings. The classification between activities is as follows:

- Expenditure on raising funds include the salaries, direct costs and support costs associated with generating donated income, together with the fees paid to investment managers in connection with the management of the charity's listed investments.
- Expenditure on charitable activities includes all costs associated with furthering the charitable purposes of the charity through the provision of its charitable activities. Such costs include charitable grants and donations, direct and support costs including governance costs.

Support costs represent indirect charitable expenditure. In order to carry out the primary purposes of the charity it is necessary to provide support in the form of personnel development, financial procedures, provision of office services and equipment and a suitable working environment.

Governance costs

Governance costs comprise the costs involving the public accountability of the charity (including audit costs) and costs in respect of compliance with regulation and good practice.

Support costs and governance costs are apportioned using percentages based on the time spent on the activities by the employees of the charity. Retail support costs are calculated with reference to the annual management charge determined as reasonable made by the charity to the retail operation for reimbursement of central costs.

Pension costs

Contributions in respect of the charity's defined contribution pension scheme are charged to the statement of financial activities when they are payable to the scheme. The charity's contributions are restricted to the contributions disclosed in note 9. The charity has no liability beyond making its contributions and paying across the deductions for the employees' contributions. Outstanding contributions at the year-end were £44,453 (2020: £72,953).

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

1. Accounting policies (cont'd)

Taxation

Shooting Star Children's Hospices is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

Intangible fixed assets and amortisation

Intangible fixed assets are stated at cost or valuation less amortisation. Amortisation is provided at rates calculated to write off the cost of each asset over its expected useful life. The amortisation rates in use are as follows:

Capitalised development costs	Up to 10 years straight line
-------------------------------	------------------------------

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost of each asset over its expected useful life. The depreciation rates in use are as follows:

Freehold land is not depreciated	
Freehold property	4% per annum straight line
Leasehold property	Straight line over period of lease
Furnishings, fixtures and fittings and building improvements	10% per annum straight line
IT systems and equipment	33% per annum straight line
Motor vehicles	25% per annum straight line

Assets costing less than £2,000 are written off to expenditure in the year of acquisition. Assets under construction are not depreciated until the asset is brought into use.

Investments

Listed investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Realised and unrealised gains (or losses) are credited (or debited) to the statement of financial activities in the year in which they arise.

The charity does not acquire put options, derivatives or other complex financial instruments.

As noted above, the main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

Debtors

Debtors are recognised at their settlement amount, less any provision for non-recoverability. Prepayments are valued at the amount prepaid. Debtors have been discounted to the present value of the future cash receipt where such discounting is material.

Notes to the financial statements for the year ended 31 March 2021 *(cont'd)*

1. Accounting policies *(cont'd)*

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand or have a maturity of less than three months from the date of acquisition. Deposits for more than three months but less than one year will be disclosed as short-term deposits. Cash placed on deposit for more than one year is disclosed as a fixed asset investment.

Creditors and provisions

Creditors and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Creditors and provisions are recognised at the amount the charity anticipates it will pay to settle the debt. They have been discounted to the present value of the future cash payment where such discounting is material.

Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Endowed funds are given to be held for the longer term and the income be used to fund the activities of the charity. Unrestricted funds are donations and other incoming resources receivable or generated for the objects of the charity. Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight-line basis over the lease term.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

2. Donations and legacies

	Unrestricted 2021 £	Restricted 2021 £	Total 2021 £
Donations and gifts	3,053,918	298,845	3,352,763
Legacies	629,412	-	629,412
2021	£3,683,330	£298,845	£3,982,175

	Unrestricted 2020 £	Restricted 2020 £	Total 2020 £
Donations and gifts	2,980,715	407,257	3,387,972
Legacies	2,151,262	-	2,151,262
2020	£5,131,977	£407,257	£5,539,234

3. Other trading activities

	2021 £	2020 £
Lottery	439,001	223,856
Challenge events/Marathon	375,548	530,636
Other events	5,250	286,033
Other income	38,071	58,985
Events and other income	418,869	875,654
Retail and trading income	978,195	2,205,346
	£1,836,065	£3,304,856

All income from this source was unrestricted in both years.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

4. Charitable activities

	2021 Unrestricted £	2021 Restricted £	2021 Total £
NHS England Grants	-	924,612	924,612
NHS England COVID-19 emergency funding		1,240,288	1,240,288
Other grants	-	276,000	276,000
Other charitable assessed income	425,979	-	425,979
	£425,979	£2,440,900	£2,866,879
	2020 Unrestricted £	2020 Restricted £	2020 Total £
NHS England Grants	-	698,299	698,299
Other charitable assessed income	231,186	-	231,186
	706,745	-	706,745
	£937,931	£698,299	£1,636,230

5. Investment income

	2021 £	2020 £
Income from listed investments	90,020	116,498
Interest receivable	650	2,444
	£90,670	£118,942

All income from this source was unrestricted in both years.

6. Other income

	2021 £	2020 £
Coronavirus Job Retention Scheme (CJRS)	690,990	-
Taxation (debit)/credit	(7,829)	48,722
Dilapidation reserve (note 15)	17,460	-
	£700,621	£48,722

All income from this source was unrestricted in both years. The tax credit relates to a claim for Research and Development expenditure incurred during the year. This expenditure has been recognised as an intangible fixed asset as detailed in note 11.

The CJRS income relates to claims made under the government furlough scheme.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

7. Cost analysis

	Staff costs	Premises	Other	Depre- ciation	Allocation of support costs*	2021 Total
	£	£	£	£	£	£
Residential care	2,213,314	126,787	228,814	404,838	878,626	3,852,379
Hospice at home care	345,604	-	6,597	-	175,739	527,940
Therapy	328,989	-	4,875	-	106,571	440,435
Practice education & quality	207,464	-	14,948	-	49,920	272,332
Care support costs	618,099	2,346	-	-	338,889	959,334
Costs of generating voluntary income	733,239	-	142,988	-	362,418	1,238,645
Trading activities	462,350	402,598	321,320	87,048	201,000	1,474,316
Management of investments	-	-	16,765	-	-	16,765
	£4,909,059	£531,731	£736,307	£491,886	£2,113,163	£8,782,146

* Included in support costs are £1,82,313 of salaries costs and governance costs of £16,765. Governance costs comprise trustee indemnity insurance and audit fees. Also included within support costs is the cost of exiting Bridge House, the Charity's Head Office in Addlestone, Surrey. This lease was not due to expire until July 2027 but with the agreement of the landlord the lease was surrendered early on 30th September 2020. The surrender value of £620,000 was offset by £172,777 of provisions for rent payable and dilapidations, resulting in a net cost to the charity of £447,223.

	Staff costs	Premises	Other	Depre- ciation	Allocation of support costs*	2020 Total
	£	£	£	£	£	£
Residential care	2,823,531	176,503	383,312	402,375	948,193	4,733,914
Hospice at home care	611,923	355	23,159	-	234,393	869,830
Therapy	300,048	-	23,474	-	95,259	418,781
Practice education & quality	208,961	-	32,143	-	49,478	290,582
Care support costs	543,042	2,778	18,450	-	310,376	874,646
Costs of generating voluntary income	873,443	-	402,147	-	378,931	1,654,521
Trading activities	591,714	603,170	432,233	-	241,200	1,868,317
Management of investments	-	-	18,699	-	-	18,699
	£5,952,662	£782,806	£1,333,617	£402,375	£2,257,830	£10,729,290

* Included in support costs are £1,274,822 of salaries costs and governance costs of £15,667. Governance costs comprise trustee indemnity insurance and audit fees.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

7. Cost analysis (cont'd)

Analysis of expenditure between unrestricted and restricted funds:

	2021 Un- restricted £	2021 Restricted £	2021 Total funds £	2020 Un- restricted £	2020 Restricted £	2020 Total funds £
Raising funds						
Costs of generating donations	1,238,645	-	1,238,645	1,654,521	-	1,654,521
Costs of managing investments	16,765	-	16,765	18,699	-	18,699
Trading activities	1,474,316	-	1,474,316	1,868,317	-	1,868,317
Charitable activities						
Hospice care	1,167,447	2,684,932	3,852,379	3,885,381	848,533	4,733,914
Hospice at home	505,700	22,240	527,940	782,926	86,904	869,830
Therapy	375,058	65,377	440,435	332,469	86,312	418,781
Practice education & quality	272,332	-	272,332	290,582	-	290,582
Care support costs	959,334	-	959,334	874,646	-	874,646
Total expenditure	£6,009,597	£2,772,549	£8,782,146	£9,707,541	£1,021,749	£10,729,290

8. Net income before transfers and investment gains

	2021 £	2020 £
Net income/expenditure is stated after charging:		
Amortisation of intangible assets	122,620	112,729
Depreciation of tangible fixed assets	513,388	489,203
Operating lease rentals – land and buildings	875,314	705,009
Operating lease rentals – other	10,695	8,436
Auditor's remuneration	14,765	15,415
Auditor's – other fees	2,270	2,175
Payroll bureau	6,332	10,484

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

9. Employees

The average monthly number of total employees and full-time equivalent employees during the year was:

	2021 Headcount	2021 FTE	2020 Headcount	2020 FTE
Hospice care	66	49	97	64
Hospice at home	12	9	20	16
Therapy	10	6	10	6
Practice education & quality	3	3	4	3
Care support	20	19	23	21
Activities for generating donations	22	20	28	25
Retail	22	19	32	25
Administration	18	16	19	18
	173	141	233	178

Employment costs	2021 £	2020 £
Wages and salaries	4,801,238	6,188,650
Social security costs	443,768	564,726
Other pension costs	326,455	454,828
Agency costs	-	5,121
Termination costs	398,590	-
Other staff costs	21,321	29,262
	£5,991,372	£7,242,587

The number of employees whose emoluments in the year were £60,000 or more, were:

	2021 Number	2020 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	3	2
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1
£100,001 - £110,000	-	-
£110,001 - £120,000	1	1

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

9. Employees (cont'd)

The aggregate pension contribution made by the charity on behalf of higher paid staff was £34,480 (2020: £52,585). Six (2020: Five) higher paid staff accrued benefits in defined contribution pension schemes.

Key management personnel are defined as the trustees and the five members of the Organisational Leadership team, together with one of the directors of the subsidiary company Chase Hospice Trading Ltd. The total employee benefits of the key management personnel of the charity were £559,984 (2020: £591,958).

During the year redundancy and termination payments made by the charity were £398,590 (2020: £nil).

None of the trustees received any remuneration or expenses in respect of their services during the year (2020 - £nil). Trustees' indemnity insurance is included in the overall insurance paid by the charity and cost the charity was £503 (2020: £252).

The total amount of donations received from the trustees during the year was £11,575 (2020: £10,559).

10. Subsidiary undertakings and joint ventures

During the year the charity had three wholly owned subsidiaries, Chase Hospice Trading Limited (Trading) (Company No. 03379287), Shooting Star Trust Ltd (Dormant Charitable Company) (Company No: 04383311) and Shooting Star Marketing Limited (Marketing) (Company No. 03123517) all of which are incorporated in Great Britain. The registered office of all the entities is Shooting Star House, The Avenue, Hampton, Middlesex TW12 3RA.

Chase Hospice Trading Ltd (Share capital of £1,063,307) is the entity which accounts for the software for the new Care Database, which has been recognised as an intangible asset.

Shooting Star Marketing Ltd (Share capital £2) undertakes the sale of donated and other goods at thirteen shops.

A summary of the results of the subsidiary companies is shown below. Audited financial statements have been filed with the Registrar of Companies in respect of Shooting Star Marketing Ltd and Chase Hospice Trading Ltd. Shooting Star Trust Ltd was dormant throughout the year and the accounts have therefore not been audited.

In addition to the above the Charity also participates in the joint venture, Tuckwell CHASE Lottery Limited which is jointly controlled by Shooting Star Children's Hospices and Phyllis Tuckwell Memorial Hospice Limited under the a joint venture agreement the terms of which are that the joint venture will promote a commercial lottery game which aims to generate profits for the benefit of its affiliated charities.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

10. Subsidiary undertakings and joint ventures (cont'd)

	Shooting Star Marketing Ltd	
	2021	2020
	£	£
Turnover	598,745	1,626,679
Cost of Sales	(3,647)	(14,383)
Gross Profit	595,098	1,612,296
Administrative expenses	(1,074,198)	(1,363,806)
Operating (Loss)/Profit	(479,100)	248,490
Gift Aid	-	-
(Loss)/Profit	(479,100)	248,490
	2021	2020
	£	£
Net (Liabilities)/Assets	£ (208,811)	£270,289

	Chase Hospice Trading Ltd	
	2021	2020
	£	£
Turnover	534,872	467,455
Cost of Sales	(93,584)	(143,175)
Gross Profit	441,288	324,280
Administrative expenses	(302,491)	(350,279)
Operating Profit/(Loss)	138,797	(25,999)
Corporation tax	(7,829)	48,722
Profit	£130,968	£22,723
	2021	2020
	£	£
Net assets	£936,595	£805,627

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

11. Intangible fixed asset

GROUP	2021 Intangible asset £	2020 Intangible asset £
COST OR VALUATION		
At 1 April 2020	1,126,792	1,039,310
Additions	37,851	87,482
	<hr/>	<hr/>
At 31 March 2021	£1,164,643	£1,126,792
	<hr/>	<hr/>
AMORTISATION		
At 1 April 2020	285,149	172,420
Charged in year	122,620	112,729
	<hr/>	<hr/>
At 31 March 2021	£407,769	£285,149
	<hr/>	<hr/>
NET BOOK VALUE		
At 31 March	£756,874	£841,643
	<hr/>	<hr/>

CHARITY	2021 Intangible asset £	2020 Intangible asset £
COST OR VALUATION		
At 1 April 2020 and 31 March 2021	44,162	44,162
	<hr/>	<hr/>
AMORTISATION		
At 1 April 2020	13,416	8,939
Charged in year	4,432	4,477
	<hr/>	<hr/>
At 31 March 2021	£17,848	£13,416
	<hr/>	<hr/>
NET BOOK VALUE		
At 31 March	£26,314	£30,764
	<hr/>	<hr/>

The intangible asset represents software development costs, incurred in the development and build of The Care Database. The database was implemented in April 2017.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

12. Tangible fixed assets

GROUP	Freehold land and buildings £	Leasehold property £	Furnishings fittings and equipment £	IT systems £	Motor vehicles £	2021 Total £
COST OR VALUATION						
At 1 April 2020	9,260,607	147,739	767,007	34,425	122,401	10,332,179
Additions	259	-	41,605	3,000	-	44,864
Disposals	-	(25,612)	(96,360)	(34,425)	-	(156,397)
At 31 March 2021	<u>£9,260,866</u>	<u>£122,127</u>	<u>£712,252</u>	<u>£3,000</u>	<u>£122,401</u>	<u>£10,220,646</u>
ACCUMULATED DEPRECIATION						
At 1 April 2020	5,109,516	89,368	416,831	25,833	94,114	5,735,662
Charge for year	356,460	40,284	99,688	4,366	12,590	513,388
Disposals	-	(25,612)	(97,553)	(29,532)	-	(152,697)
At 31 March 2021	<u>£5,465,976</u>	<u>£104,040</u>	<u>£418,966</u>	<u>£667</u>	<u>£106,704</u>	<u>£6,096,353</u>
NET BOOK VALUE						
At 31 March 2021	<u>£3,794,890</u>	<u>£18,087</u>	<u>£293,286</u>	<u>£2,333</u>	<u>£15,697</u>	<u>£4,124,293</u>
At 31 March 2020	<u>£4,151,091</u>	<u>£58,371</u>	<u>£350,176</u>	<u>£8,592</u>	<u>£28,287</u>	<u>£4,596,517</u>
CHARITY						Total
	£	£	£	£	£	£
COST OR VALUATION						
At 1 April 2020	9,260,607	45,973	559,298	30,100	88,285	9,984,263
Additions	259	-	37,905	3,000	-	41,164
Disposals	-	-	-	(30,100)	-	(30,100)
At 31 March 2021	<u>£9,260,866</u>	<u>£45,973</u>	<u>£597,204</u>	<u>£3,000</u>	<u>£88,285</u>	<u>£9,995,327</u>
ACCUMULATED DEPRECIATION						
At 1 April 2020	5,109,516	45,973	259,792	26,400	82,164	5,523,845
Charge for year	356,460	-	57,688	667	4,060	418,875
Disposals	-	-	-	(26,400)	-	(26,400)
At 31 March 2021	<u>£5,465,976</u>	<u>£45,973</u>	<u>£317,480</u>	<u>£667</u>	<u>£86,224</u>	<u>£5,916,320</u>
NET BOOK VALUE						
At 31 March 2021	<u>£3,794,890</u>	<u>-</u>	<u>£279,724</u>	<u>£2,333</u>	<u>£2,061</u>	<u>£4,079,007</u>
At 31 March 2020	<u>£4,151,091</u>	<u>-</u>	<u>£299,506</u>	<u>£3,700</u>	<u>£6,121</u>	<u>£4,460,418</u>

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

13. Fixed asset investments

Fixed asset investments comprise:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Listed investments	3,808,811	2,988,146	3,808,811	2,988,146
Cash held by investment managers	50,613	63,193	50,613	63,193
	£3,859,424	£3,051,339	£3,859,424	£3,051,339

	2021	2020
	£	£
Listed investments		
Market value 1 April 2020	2,988,146	3,877,842
Proceeds	(689,514)	(1,446,866)
Acquisitions	681,509	916,388
Gains/(Losses) on listed investments	828,670	(359,218)
Market value 31 March 2021	3,808,811	2,988,146
Cash held with investment managers	50,613	63,193
	£3,859,424	£3,051,339
Historic cost 31 March 2021	£3,232,757	£3,217,617

At 31 March 2021, the listed investments comprised the following:

	2021	2020
	£	£
Fixed interest	424,098	420,742
UK equities	1,034,419	885,041
Overseas equities	1,634,430	1,307,828
Alternatives	715,864	374,535
	£3,808,811	£2,988,146

At 31 March 2021, the charity held one investment, in excess of 5%, of the market value of its portfolio. This was Vanguard Funds Plc (S&P 500), which represented £273,619 (7.2%) of the market value of the portfolio.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

14. Debtors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
DUE GREATER THAN ONE YEAR				
Rent Deposits	51,542	92,975	-	-
DUE WITHIN ONE YEAR				
Trade debtors	420,883	452,359	230,080	292,160
Amounts receivable from subsidiary undertakings	-	-	540,826	350,185
Amounts receivable from Joint Venture	77,135	41,188	77,135	41,188
Other debtors	566,354	1,534,756	586,192	1,339,756
Prepayments and accrued income	262,748	409,783	228,693	318,569
Corporation tax	2,000	15,000	-	-
	£1,380,662	£2,546,061	£1,662,926	£2,341,858

15. Creditors

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
DUE WITHIN ONE YEAR				
Trade creditors	160,952	224,944	85,196	136,935
Other creditors	51,500	49,843	1,500	49,843
Employer's pension contributions	44,453	72,953	44,453	72,953
Accruals and deferred income	752,269	630,595	148,406	256,387
Other taxes and social security	100,461	133,932	100,461	133,932
	£1,109,635	£1,112,267	£380,016	£650,050

Included above is deferred income which relates to income receivable in 2021/22, which can be analysed as follows:

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Deferred income b/f	300,667	188,833	-	-
Deferred in the year	490,560	460,000	-	-
Released in the year	(479,167)	(348,166)	-	-
Deferred income c/f	£312,060	£300,667	£-	£-

Included within other creditors in 2020 was a dilapidation reserve of £17,460. This was released in 2020/21.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

16. Pension costs

Contributions to the pension schemes are charged to the Statement of Financial Activities in the year to which they relate and amounted to £326,455 (2020: £454,828). At the balance sheet date, the amount outstanding to the schemes was £44,453 (2020: £72,953).

17. Restricted funds

Restricted income received from charitable activities was £924,613 from NHS England central grants, £1,240,288 from NHSE COVID-19 emergency funding, £186,000 from Surrey Heartlands CCG and £90,000 from South West London CCGs (2020: £698,299) and £nil from other grants (2020: NIL).

Donor and Purpose of each fund	1 April 2020 £	Income £	Expenditure £	31 March 2021 £
NHS England Grants				
• <i>Children's Hospices Programme</i>	-	924,612	(924,612)	-
NHS England COVID-19 emergency funding				
• <i>Children's Hospices emergency COVID-19 funding</i>	-	1,240,288	(1,240,288)	-
Surrey Heartlands CCG				
• <i>Symptom management</i>	-	186,000	(186,000)	-
South West London CCGs				
• <i>Symptom management</i>	-	90,000	(90,000)	-
Wish List Fund				
• <i>Stained glass window</i>	5,539	-	-	5,539
Childwick Trust				
• <i>Hospice garden costs</i>	739	-	-	739
The Story of Christmas				
• <i>Shooting Star House refurb</i>	50,100	-	(50,000)	100
Dr N Saunders				
• <i>Medical equipment and activities</i>	7,664	-	(332)	7,332
In Memory of Olivia Lee				
• <i>Little Chasers and Sparklers</i>	2,282	-	-	2,282
MariaMarina Foundation				
• <i>Music festival and family support</i>	8,718	60,000	(60,000)	8,718
Katcando				
• <i>Christopher's equipment</i>	3,296	3,000	(2,840)	3,456
Max Galleni				
• <i>Project</i>	24,282	-	(438)	23,844
UPS				
• <i>Christopher's refurb</i>	3,262	-	(2,616)	646
Paul Strank Roofing				
• <i>Christopher's refurb & hoists</i>	19,689	-	(9,560)	10,129
Frankie Biggs IMO				
• <i>Christopher's use</i>	2,865	-	-	2,865
Mark Benevolent Fund				
• <i>Shooting Star House refurb</i>	10,128	-	-	10,128
Screwfix				
• <i>Shooting Star House refurb</i>	5,413	-	-	5,413

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

17. Restricted funds (cont'd)

Donor and Purpose of each fund	1 April 2020 £	Income £	Expenditure £	31 March 2021 £
Smyth Family IMO				
• Christopher's and Shooting Star House refurbishment	39,950	30	-	39,980
Geoffrey Osbourne				
• Music cabin	25,124	-	(259)	24,865
Phelan Family				
• Hospice care at Christopher's	3,465	240	(1,247)	2,458
City Bridge Trust				
• Music therapist and counsellor	-	75,580	(75,580)	-
Hindhead Golf Club				
• Sensory walkway	323	-	-	323
Richmond Friends Group				
• SSH garden	9,400	-	-	9,400
Cranleigh Golf Club				
• Art Room at SSH	14,349	-	-	14,349
Cloudshift				
• London Marathon reception	5,000	-	-	5,000
Farnham Lions				
• Sensory walkway	6,771	-	-	6,771
BBC Children In Need				
• Hospice at Home services	-	22,240	(22,240)	-
Burdett				
• Education and training	30,000	-	-	30,000
Bridgepoint				
• Virtual hospice	-	75,000	(50,302)	24,698
Sandoz Ltd				
• Care costs	-	20,000	(20,000)	-
Lady Joan Vallat				
• Christopher's care	-	20,000	(20,000)	-
Sundry < £5,000				
• Various	40,623	22,755	(16,235)	47,143
	£318,982	£2,739,745	(£2,772,549)	£286,178

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

17 Restricted funds (cont'd)

The table of restricted funds for the prior year is shown below:

Donor and Purpose of each fund	1 April 2019 £	Income £	Expenditure £	31 March 2020 £
NHS England Grants				
• <i>Children's Hospices Programme</i>	-	698,299	(698,299)	-
Wish List Fund				
• <i>Stained glass window</i>	5,539	-	-	5,539
Childwick Trust				
• <i>Hospice garden costs</i>	739	-	-	739
The Story of Christmas				
• <i>Shooting Star House refurb</i>	100	50,000	-	50,100
Dr N Saunders				
• <i>Medial equipment and activities</i>	10,254	-	(2,590)	7,664
Messrs Hoarne Trustees				
• <i>Siblings holiday</i>	20	-	(20)	-
Newman's Own Foundation				
• <i>Rocks and Pebbles and Music Festival</i>	386	-	(386)	-
In Memory of Olivia Lee				
• <i>Little Chasers and Sparklers</i>	2,421	-	(139)	2,282
MariaMarina Foundation				
• <i>Music festival and family support</i>	42,118	10,000	(43,400)	8,718
Katcando				
• <i>Christopher's equipment</i>	210	5,622	(2,536)	3,296
Max Galleni				
• <i>Project</i>	4,289	22,000	(2,007)	24,282
UPS				
• <i>Christopher's refurb</i>	3,262	-	-	3,262
Paul Strank Roofing				
• <i>Christopher's refurb & hoists</i>	3,573	18,000	(1,884)	19,689
Frankie Biggs IMO				
• <i>Christopher's use</i>	3,369	-	(504)	2,865
The Cup Trust				
• <i>Satellite hubs</i>	11,526	-	(11,526)	-
Mark Benevolent Fund				
• <i>Shooting Star House refurb</i>	10,128	-	-	10,128
Screwfix				
• <i>Shooting Star House refurb</i>	5,413	-	-	5,413
Smyth Family IMO				
• <i>Christopher's and Shooting Star House refurb</i>	39,905	45	-	39,950
Geoffrey Osbourne				
• <i>Music cabin</i>	9,129	17,112	(1,117)	25,124
Phelan Family				
• <i>Hospice care at Christopher's</i>	8,756	-	(5,291)	3,465

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

17 Restricted funds (cont'd)

Donor and Purpose of each fund	1 April 2019 £	Income £	Expenditure £	31 March 2020 £
City Bridge Trust				
• <i>Music therapist and counsellor</i>	6,883	20,650	(27,533)	-
Hindhead Golf Club				
• <i>Sensory walkway</i>	-	18,634	(18,311)	323
Richmond Friends Group				
• <i>SSH garden</i>	-	9,400	-	9,400
Cranleigh Golf Club				
• <i>Art Room at SSH</i>	-	14,349	-	14,349
Hummingbird Trust				
• <i>Symptom management and volunteer therapy</i>	-	50,000	(50,000)	-
Cloudshift				
• <i>London Marathon reception</i>	-	5,000	-	5,000
Farnham Lions				
• <i>Sensory walkway</i>	-	6,771	-	6,771
Edward Gosling Foundation				
• <i>Acheeva Bed</i>	-	6,445	(6,445)	-
Tudor Foundation				
• <i>Symptom management nurses</i>	-	32,000	(32,000)	-
BBC Children In Need				
• <i>Hospice at Home services</i>	-	44,006	(44,006)	-
Burdett				
• <i>Education and training</i>	-	30,000	-	30,000
Sundry < £5,000				
• <i>Various</i>	67,155	47,223	(73,755)	40,623
	<u>£235,175</u>	<u>£1,105,556</u>	<u>(£1,021,749)</u>	<u>£318,982</u>

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

18. Endowed funds

Group and Charity			
	1 April 2020 £	Income £	Expenditure £
The Robina Endowment fund	£59,434	-	-
	1 April 2019 £	Income £	Expenditure £
The Robina Endowment fund	£59,434	-	-

Endowed funds represent a donation received where income would support music therapy.

19. Tangible fixed asset fund

The tangible fixed asset fund represents charitable funds invested in operational fixed assets. This fund is maintained, so as to be able to clearly identify the free (general) reserves on the balance sheet in the context of the charity's reserve policy. The balance of the fund is equal to the net book value of tangible fixed assets.

20. Unrealised investment gains

Included within the total funds of the group and charity the cumulative unrealised gains as follows:

Unrealised gains:

	2021 £	2020 £
On listed investments	919,630	87,459
Total unrealised gains at 31 March 2021	£919,630	£87,459

Reconciliation of movements in unrealised gains

Total unrealised gains at 1 April 2020	87,459	464,645
Less: in respect of disposals in the year	3,801	(17,968)
Add: net gains/(losses) arising on revaluation in the year	828,670	(359,218)
Total unrealised gains at 31 March 2021	£919,930	£87,459

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

21 Analysis of net assets between funds

Group	Tangible Fixed Assets £	Intangible Fixed Assets £	Investments £	Net current assets £	2021 Total £
General funds	-	26,314	3,859,424	4,438,728	8,324,466
Fixed Asset funds	4,124,293	-	-	-	4,124,293
Restricted funds	-	-	-	286,178	286,178
Endowed funds	-	-	-	59,434	59,434
Non-charitable subsidiary reserves	-	730,560	-	(2,776)	727,784
Total funds	£4,124,293	£756,874	£3,859,424	£4,781,564	£13,522,155

Group	Tangible Fixed Assets £	Intangible Fixed Assets £	Investments £	Net current assets £	2020 Total £
General funds	-	30,746	3,051,339	2,337,158	5,419,243
Fixed Asset funds	4,596,517	-	-	-	4,596,517
Restricted funds	-	-	-	318,982	318,982
Endowed funds	-	-	-	59,434	59,434
Non-charitable subsidiary reserves	-	810,897	-	265,021	1,075,918
Total funds	£4,596,517	£841,643	£3,051,339	£2,980,595	£11,470,094

Charity	Tangible Fixed Assets £	Intangible Fixed Assets £	Investments £	Net current assets £	2021 Total £
General funds	-	26,314	3,859,424	5,547,419	9,433,157
Fixed Asset funds	4,079,007	-	-	-	4,079,007
Restricted funds	-	-	-	286,178	286,178
Endowed funds	-	-	-	59,434	59,434
Total funds	£4,079,007	£26,314	£3,859,424	£5,893,031	£13,857,776

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

21 Analysis of net assets between funds (cont'd)

Charity	Tangible Fixed Assets £	Intangible Fixed Assets £	Investments £	Net current assets £	2020 Total £
General funds	-	30,746	3,051,339	3,536,664	6,618,749
Fixed Asset funds	4,460,418	-	-	-	4,460,418
Restricted funds	-	-	-	318,982	318,982
Endowed funds	-	-	-	59,434	59,434
Total funds	£4,460,418	£30,746	£3,051,339	£3,915,080	£11,457,583

22 Cash flows from operating activities

Reconciliation of net income to net cash flow from operating activities

	2021 £	2020 £
Net income for the reporting period	2,052,061	2,104
Adjustments for:		
Amortisation charge	122,620	112,729
Depreciation charges	513,388	489,203
Fixed asset write-off	3,700	-
(Gains)/losses on investments	(828,670)	359,218
Dividends, interest and rents from investments	(90,670)	(118,942)
Decrease/(increase) in debtors	1,165,399	(854,212)
(Decrease)/increase in creditors	(2,632)	204,783
Net cash generated by operating activities	£2,935,196	£194,883

23 Analysis of cash and cash equivalents

Analysis of cash and cash equivalents

	2021 £	2019 £
Cash in hand	4,510,537	1,546,801
Cash held with investment managers	50,613	63,193
Total cash and cash equivalents	£4,561,150	£1,609,994

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

24 Commitments under operating leases

At 31 March 2021 the group had total commitments under non-cancellable operating leases as follows:

	2021 £	2020 £
Land and buildings		
Within one year	280,500	424,345
Between two and five years	311,892	795,466
	£592,392	£1,219,811
Other		
Within one year	8,528	7,970
Between two and five years	18,000	12,765
Over five years	2,867	-
	£29,395	£20,735

25 Post balance sheet events

There are no post balance sheet events to report.

26 Capital commitments

There were no capital commitments to report.

27 NHS pension scheme

Some past and present employees are covered by the provisions of the NHS Pensions Scheme. Details of the benefits payable under these provisions can be found on the NHS Pensions website at www.nhsbsa.nhs.uk/pensions. The scheme is an unfunded, defined benefit scheme that covers NHS employers, GP practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. The scheme is not designed to be run in a way that would enable NHS bodies to identify their share of the underlying scheme assets and liabilities. Therefore, the scheme is accounted for as if it were a defined contribution scheme: the cost to the charity of participating in the scheme is taken as equal to the contributions payable to the scheme for the accounting period.

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

28 Consolidated statement of financial activities for 2020

	Notes	Un- restricted Funds	Restricted Funds	Endowed funds	Total 2020	Total 2019
		£	£	£	£	£
Income and endowments from						
Donations and legacies	2	5,131,977	407,257	-	5,539,234	3,723,137
Other trading activities						
Retail and other income		2,205,346	-	-	2,205,346	1,647,776
Lottery income		223,856	-	-	223,856	135,859
Events and other income		875,654	-	-	875,654	1,024,733
	3	3,304,856	-	-	3,304,856	2,808,368
Investment income	5	118,942	-	-	118,942	117,610
Charitable activities						
NHS England Grants	4	-	698,299	-	698,299	640,107
Other grants	4	231,186	-	-	231,186	-
Other charitable assessed income	4	706,745	-	-	706,745	659,526
		937,931	698,299	-	1,636,230	1,299,633
Other income:						
Net interest in the results of the joint venture		442,628	-	-	442,628	391,781
Other income	6	48,722	-	-	48,722	93,833
Total income and endowments		9,985,056	1,105,556	-	11,090,612	8,434,362

Notes to the financial statements for the year ended 31 March 2021 (cont'd)

28 Consolidated statement of financial activities for 2020 (cont'd)

	Notes	Un-restricted Funds £	Restricted Funds £	Endowed Funds £	Total 2020 £	Total 2019 £
Expenditure on:						
Raising funds						
Costs of generating donations		1,654,521	-	-	1,654,521	1,605,690
Costs of managing investments		18,699	-	-	18,699	21,909
Trading activities		1,868,317	-	-	1,868,317	1,646,780
		<u>3,541,537</u>	<u>-</u>	<u>-</u>	<u>3,541,537</u>	<u>3,274,379</u>
Expenditure on charitable activities						
Hospice care		3,885,381	848,533	-	4,733,914	4,852,972
Hospice at home		782,926	86,904	-	869,830	896,780
Therapy		332,469	86,312	-	418,781	412,891
Practice education & quality		290,582	-	-	290,582	256,123
Care support costs		874,646	-	-	874,646	748,778
		<u>6,166,004</u>	<u>1,021,749</u>	<u>-</u>	<u>7,187,753</u>	<u>7,167,544</u>
Total charitable expenditure		<u>6,166,004</u>	<u>1,021,749</u>	<u>-</u>	<u>7,187,753</u>	<u>7,167,544</u>
Total expenditure	7	<u>9,707,541</u>	<u>1,021,749</u>	<u>-</u>	<u>10,729,290</u>	<u>10,441,923</u>
Net income/(expenditure) before transfers and investment gains / (losses)	8	277,515	83,807	-	361,322	(2,007,561)
Net (losses)/gains on investment assets	13	(359,218)	-	-	(359,218)	139,663
		<u>(81,703)</u>	<u>83,807</u>	<u>-</u>	<u>2,104</u>	<u>(1,867,898)</u>
Net income/(expenditure) and net movement in funds		<u>(81,703)</u>	<u>83,807</u>	<u>-</u>	<u>2,104</u>	<u>(1,867,898)</u>
Fund balances at 1 April 2019		11,173,381	235,175	59,434	11,467,990	13,335,888
		<u>11,173,381</u>	<u>235,175</u>	<u>59,434</u>	<u>11,467,990</u>	<u>13,335,888</u>
Fund balances at 31 March 2020	21	<u>£11,091,678</u>	<u>£318,982</u>	<u>£59,434</u>	<u>£11,470,094</u>	<u>£11,467,990</u>