

St Peter & St James Hospice

Hospice care in the heart of Sussex

St Peter and St James Charitable Trust

Annual Report and Consolidated Financial Statements

Year ended 31 March 2021

Charity number 1056114

Company number 3204919

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About Us

From the Chair and Chief Executive

We would like to start by saying a huge thank you to our staff, volunteers and supporters who have worked so hard, made such significant contributions and helped keep us on track through the most difficult of years. In an unprecedented time of financial and service challenges, St Peter & St James has been able to adapt and adjust to maintain support for people in our local community and to continue to raise vital funds.

Covid-19 has posed extraordinary challenges for us all but particular thanks must go to everyone who works or volunteers at the Hospice or supports us in other ways. We have ended the year in a positive financial position and with plans for the future to offer a wider range of services to more people in our local community. Like so many charities we face a difficult future, financially. At the start of this year we expected to see significant losses as a result of the pandemic but substantial Government support negotiated by Hospice UK and a record breaking emergency appeal meant we ended the year with a respectable surplus. But the next few years look very much more challenging and we will be relying more than ever on the support of our generous friends and donors.

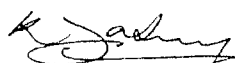
The experience of your support is brought into even sharper focus in the hospice setting where so many of the little things we take for granted have been removed from us for the last year. Trying to offer comfort without an arm around a shoulder or a hug; providing support through a screen rather than face to face; being unable to see a smile through a mask and feeling encumbered by layers of PPE have all been hugely challenging. We provide a human response to the needs of people facing death, dying and bereavement. Retaining our compassion and humanity through this time has required commitment and focus.

Of course another impact of the pandemic has been that our shops were closed for three quarters of the year with our only trading being online and sales 'from the shop windows'! Our talented retail team members have spent much of the last year on furlough rather than doing the job they love and being our 'window on the world' in our local high streets.

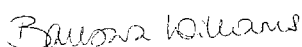
Throughout the pandemic, Hospice UK has been a strong advocate for local hospices and thanks to their efforts all hospices including ours have benefited from funding from the NHS in recognition of our role in providing local capacity for beds, particularly when the NHS has been under such pressure.

Thank you too to our loyal fundraisers and supporters for their unprecedented giving to our emergency appeal and throughout the year, beating all our previous fundraising records! With events cancelled and traditional fundraising avenues closed to us, creativity has been key and a huge success. Our virtual Lights of Love reached almost 700 people enabling them to reflect and remember at home and be part of a mutual celebration of their loved ones' lives either on the day itself or by watching on Youtube.

With a clear strategy for the next three years St Peter & St James is poised to move forward positively in the future. As Chair and Chief Executive we will both be standing down in the autumn - Keith having reached the end of his five year term as Chair and Barbara retiring after almost five years in post. With a skilled and experienced Board of Trustees and an equally skilled and dedicated leadership team in place, the organisation is in good hands. Harriet Creamer, currently Vice Chair, will be taking over as Chair at the AGM and at that meeting we hope to be able to introduce you to the new Chief Executive following a recruitment process over the summer.



Keith Banbury
Chair



Barbara Williams
Chief Executive

Who we are and how we help

We provide expert and compassionate care to adults living with a terminal illness, providing care at the hospice and supporting people at home. The core of our work is caring for people throughout the last year of life and supporting families and loved ones through the challenges of illness, bereavement and grief.

Our continuum of care extends long after someone's death, with a full range of bereavement support. From individual counselling, to support groups and specialised workshops, we're here for our community when it matters most.

Hospice care is full of life

Many people think a hospice is all about the building. Now more than ever we need to challenge that perception. Most of our work takes place in people's homes, in our local community. Our work is about helping people to live well by creating a sense of wellbeing and security for them and their loved ones, relieving their symptoms, improving their understanding of what is happening to them and enabling them to spend time with those most important to them.

Our history

We've been here for our community for many years. Our founders, Jim and Susan Dinnage originally ran a donkey sanctuary and after their son Peter died of cancer in 1954, St Peter's was created as a house where sick or disabled children could stay with their families. Following Jim Dinnage's death in 1963, Susan returned to our current hospice site and started St Peter & St James Holiday Home for the Disabled. It was registered as a nursing home in 1977 and in 1980 the first-ever hospice patients were admitted.

The objects of our Charity as set out in the Articles of Association are:

- To maintain St Peter and St James Hospice as a centre for the provision of nursing and palliative care for people with a progressive life-limiting illness, on a non-profit making basis, both in the Hospice and in the community;
- To advance research and education into palliative and end of life care;
- To relieve the suffering of people facing or experiencing bereavement through the provision of counselling and support;
- In recognition of its origin as a Donkey Club, to contribute to the aid and succour of needy donkeys on its premises or elsewhere.

To this day, we have donkeys on site. Our 'boys', Dylan and Dudley, provide a great source of comfort (and entertainment!) to families and their loved ones.

Our strategy

To ensure high quality, safe care now and in years to come, we maintain a healthy balance between providing assurance on the quality of our clinical services and ensuring sound financial management and strong governance around accountability and decision making.

Our strategy sets out how we will achieve our charitable objectives including the principal activity and public benefit of the provision of hospice care and services.

At the core of our strategy are our three strategic aims:

- **Provide high-quality, effective clinical services and support towards, at and after the end of life**
- **Generate sustainable funding and maximise resources to provide our services for as long as we are needed**
- **Operate a well-governed, efficient business and support and develop the staff and volunteers who work for us**

Our services in 2020/21

It has not been a typical year for our clinical services, operating during the covid pandemic.

Overall this year, we have supported **915 individual service users**.

Our community team has supported 648 people and their families - we have worked hard to maintain visiting and face to face assessments where possible, but we have also developed our processes to allow more video consultations where appropriate. While the numbers of people on our caseloads have been consistent with previous years, we have seen more people electing to remain at home for their end of life care, requiring more intensive input from the community service. This year 283 people died in their usual place of residence (i.e. own home or care home) with our support, compared to 171 the previous year.

The inpatient unit has supported 117 service users and their families. This has been a reduction on previous years, in part because we have focussed on our core business of specialist hospice beds and have stopped offering funded long term care. Other than a brief period in January 2021 when we were advised to close to admissions following a number of covid cases among staff, we have been able to keep beds open and offer a responsive service and could admit those who met our referral criteria promptly when needed.

Our family support services faced considerable disruption as they were unable to provide face to face services for counselling, wellbeing and other support services throughout the year. Nevertheless the team has worked hard to find alternative ways to deliver our services, with our teams and the families we support embracing remote communications to stay in touch. The Family Support Services have supported the following:

- Counselling services 116
- Bereavement support 165
- Welfare advice & support 229
- Befrienders support 69
- Physiotherapy 82
- Beacon View Centre 55
- Community Reach 56

We continue to receive overwhelmingly positive feedback about our services and activities. In the full year we received just 10 complaints across all our areas of activity and recorded 260 compliments or positive feedback.

"Just wanted to thank those of you that cared and supported my mum and myself through a very difficult time. I really appreciate all those little things that you did for her, brushing her hair and making her comfortable in her last few days of life. Best wishes to all of you in that beautiful setting".

"I would like you to know how much I appreciate the kindness you have shown towards me during a particularly difficult time when every day was such a struggle for me in every way. Despite how life has affected you and the hospice during lockdown you continued to support me with your phone calls which were so welcomed. I shall always be so grateful to you. You are a truly precious person and very valued. Thank you".

"Thank you so much for organizing the volunteer cheer sessions on Zoom during lockdown. I have personally found it so helpful to listen to what the other volunteers have been doing and feeling. Also it was helpful to hear from you as to what was going on at the hospice. It meant I still felt a part of the hospice organisation. ..."

"Excellent eBay experience. Super speedy delivery. Excellent product! Thank you!"

Care Quality Commission (CQC)

The hospice was inspected by CQC on 4 March 2020 and was awarded an overall rating of Good in every area when the report was published on 14 May 2020. Through our Quality & Safety task group we continue to regularly review the five KLOE's (Key Lines of Enquiry) to ensure our information is kept up to date and accurate. Following Anne Jackson's resignation as Director of Care in October 2020, Trina Perry was appointed temporary Registered Manager until her formal interview for the role in April 2021. During the Covid pandemic formal CQC inspections were stopped, but CQC inspectors undertook virtual meetings to keep in touch with healthcare providers and Dr Charles Skinner (Clinical Director), Trina Perry (Head of Clinical Services) and Louise McIntyre (Advanced Nurse Practitioner) all participated in these meetings.

Covid Response

Since the start of the Covid pandemic in March 2020 the hospice has had to cope with numerous challenges and to adapt to ever changing guidance from the government. We have always had to keep in mind the safety of our patients as well as our staff, whilst trying to keep the empathetic ethos of palliative care, especially in relation to visiting on IPU.

Staff who did not physically have to be on site worked from home and all staff (including those who would usually be visiting out in the community) quickly learned how to work virtually. Throughout the pandemic we have prided ourselves on always providing home visits in the community when required. Collaborative working between the local hospices ensured supplies of PPE, as well as taking admissions from out of area when other hospices didn't have capacity.

We have had expert advice from our Infection Prevention Consultant Suzanne Morris to help us with correct protocols and procedures, as well as providing staff support. In January 2021 we had a small outbreak of Covid amongst eight hospice staff resulting in the hospice being closed to new admissions. Support and advice from Public Health England and the local Infection Prevention team at the Clinical Commissioning Group (CCG) enabled us to reopen at the earliest possible date. The hospice now has regular testing regimes in place for all staff as well as visitors, and we were able to access local vaccinations programmes to give staff early access to protection from the virus.

Sussex Hospice Collaboration

The seven Sussex hospices have been pursuing collaboration since 2018. Although the Covid-19 pandemic brought a pause in the collaborative work streams that had been agreed at the end of 2019, the hospices continued to support one another through mutual aid and knowledge sharing.

The workstream programme has now recommenced and is seeing growing momentum under the guidance of a Programme Manager who has been appointed to coordinate activity:-

- A Sussex-wide Project ECHO telementoring hub has been set up to deliver education in care homes
- Four Sussex hospices (including St Peter & St James) are sharing an online platform for mandatory training
- A shared management education programme is being developed
- There are joint posts between individual hospices
- Work is going on to create a common data set for stakeholder reporting
- The hospices are benchmarking their costs and activity for core services
- There is collective representation at key planning forums in the Sussex healthcare system.

Work will continue to progress these initiatives and more opportunities will be developed in the year ahead. While each hospice holds fast to its local autonomy and identity, we recognise the importance of working together to make the most of our knowledge and resources in benefitting patients and families and enhancing our sustainability.

Key activities in 2020/21

Activity 1: Agree a clinical strategy to shape the future of our hospice

In 2020/21 our plans were to:

- Review and refresh our services and activities in the light of Covid-19
- Implement our integrated approach set out in the clinical strategy whereby ward, community and wellbeing services flex as one team to 'wrap around' individuals, families, friends and carers providing seamless support and care
- Start to deliver hospice care at home from September 2020
- Start to deliver virtual classes and activities in the face of the currently limited opportunities for bringing people together in groups
- Extend our reach to more people through community-based approaches

Inevitably the pandemic has had an impact on our services and our plans. It quickly became clear that our ambition to start delivering care at home by September 2020 was no longer viable, given the circumstances. After the initial period of lockdown in 2020, we began to plan for the future in the context of uncertainty about the path ahead and the potential impact on income and financial sustainability.

Under the heading 'Side by Side' in the summer of 2020, we began to develop our plans for integrated and flexible services. With a clear focus on increasing our ability to provide care at home we knew we would have to wait until COVID restrictions were eased to be able to make real progress in this area.

To achieve the flexibility required in our workforce to deliver this approach, we planned and implemented a programme of organisational change introducing new terms and conditions of employment and restructuring teams and ways of working for the future. This work has been undertaken during the subsequent lockdowns culminating in formal consultation with staff in the spring of 2021

We continue to deliver, and will gradually enhance, the advice, support and practical care we are able to provide to people in their own homes with a view to introducing care at home services towards the end of 2021-22

We have successfully provided virtual services through the year for people who previously attended activities and classes in the Beacon View Centre and for people in need of counselling and support in dealing with bereavement, grief and loss.

The pandemic has presented us with some opportunities to test and learn with new services and specifically with a National Lottery funded programme called **Community Reach** which was designed to reach out to people affected by Covid 19 with the following intended outcomes:

- People feel less isolated
- People have an increased level of wellbeing
- People have a greater level of confidence
- People feel less anxious about the COVID-19 crisis
- Reduction in people being referred to healthcare services

The programme was required to be up and running with the briefest of set up times, and it took a while to develop referral pathways. A new volunteer role of Caller Companions was developed to offer a listening ear and dedicated time on a weekly basis to those in need of support. Much was learned from the project which reached 111 individuals in the period of time funded by the National Lottery. To make the service sustainable

it has now been brought within our range of befriending services and Caller Companions have been able to continue offering telephone support and/or become volunteer befrienders visiting people in their own homes.

In 2021/22 our plans are to:

- Develop our clinical model
 - Re-design, implement and support new systems, ways of working and reporting required to introduce our new service model
- Integrate services
 - Use the new flexibility within our paid and volunteer workforce to ensure our services are resilient and flexible in order to meet the needs of individuals and their families
- Develop our Family Support Services by:
 - Amalgamating 'Wellbeing' and 'Beacon View' services into one overall service, rebranded as 'Family Support Service'.
 - Reviewing the range of roles and skills required to support the wider integration of services, including the introduction of a Social Work role to the service
 - Providing a focus on rehabilitation and maintenance of skills for people living with terminal illness
 - Creating a new activity based programme for the Family Support Centre including new volunteer roles
 - Extending our bereavement services to reach beyond our hospice community

Activity 2: Establish an income generation plan to secure sustainable funding for the future

In 2020/21 our plans were to:

Increase our fundraising income by aiming to:

- Launch a new major donor giving programme
- Start a private site fundraising campaign to increase our direct debit donors
- Develop a strong culture of individual giving programmes using a variety of digital platforms

Increase our retail income by aiming to:

- Look at the potential to increase our shop portfolio
- Expand sales across different online marketplaces
- Expand our product range including selling more new goods
- Expand the supply of goods through house clearances and siting a new clothing bank estate
- Provide a new central distribution centre for the retail business

Our new income generation strategy was written prior to the Covid-19 pandemic, which had a considerable impact on our income generation plans in 2020/21. At the start of 2020/21 our supporters contributed £210,000 to our emergency appeal, the highest amount received from a single appeal in our history. The disruption to our public fundraising and especially our retail business was significant, with our shops being closed for nearly eight months the funding we received from our supporters was vital.

In 2021/22 our plans are to:

Return to the key objectives above to achieve sustainable funding for the future.

Activity 3: Ensure individual experience and feedback informs our service development and improvement

In 2020/21 our plans were to:

- Launch VOICES as a way for people to provide feedback on our services using either paper-based or on-line surveys. VOICES is a national survey of bereaved people. Contact is made six weeks after bereavement along with information about support and services on offer from the hospice. The survey provides a way for people to reflect and comment on their experience. The feedback can help us to refine and improve our services and to benchmark our services against other hospices.

We are disappointed that we have not yet achieved the implementation of a paper based and electronic version of the VOICES questionnaire as planned. This has now been rescheduled for implementation in 2021/22.

Whilst most of our feedback is positive we have introduced ways to extract greater depth of insight from the experience of people who have commented negatively or who have had difficult experiences of our services. On two occasions, with more to follow, we have invited families in to meet with us to talk through their experience and to identify what we can change for the future and/or help individuals have a better understanding of what happened and why. This can be cathartic and 'healing' for families and for us it provides insight we can then use with our staff to support reflection and learning for the future.

In 2021/22 our plans are to:

- Introduce VOICES - both online and paper based versions
- Create an cross organisational group to meet regularly to review positive and negative feedback, create case studies, develop an organisation wide understanding of customer care and promote learning

Activity 4: Improve our communications

In 2020/21 our plans were to:

Embed our digital transformation by:

- Completing the move to G-Suite and consolidating our learning and effective use of the new systems
- Developing the intranet and volunteers site, so there is transparency of information across the organisation and information will be easier for everyone to find
- Move our website to a more secure and managed platform to increase our ability to create targeted information and marketing for different audiences
- Implement an inbound marketing strategy so we can tailor our messages to our audience needs, increasing our reach and establishing a platform that will better support our Income Generation needs

Increase our brand awareness by:

- Establishing a baseline for our existing brand awareness by conducting surveys, with the help of our volunteers, in locations where we have a retail presence. This will give us a gauge we can use to measure our brand awareness going forward

In June 2020 and despite the pandemic, we took the plunge into digital transformation and moved to the Google Workspace platform. The pandemic meant that many of our staff had to work from home: a significant challenge for our external IT providers and our Communications team, which they rose to very effectively. Despite these challenges, we were able to implement the move to Google Workspace and very quickly felt the benefits of the system. Google has enabled us to have greater flexibility for staff and volunteers giving them secure access to email and documents. The Google platform is a great enabler of collaboration and team working on projects and documentation. Many of our work processes have been transformed, speeded up and made more efficient. There were downsides of implementing such a change with staff working remotely and we have some catching up to do to ensure consistency in the way we are working with the systems.

We have also undertaken a wide range of IT and Communications projects over the year, ranging from finding more effective ways to support off-site working, through the development of dedicated sites supporting staff welfare and recruitment, to creating materials and providing practical support for a major programme of fundraising. We were, though, unable to progress our aim to create a baseline assessment of brand awareness - due to the pandemic we could not ask our volunteers to do the survey for us as planned.

In 2021/22 our plans are to:

Embed our digital transformation by:

- Consolidating our overall vision for how we will use our IT resources and ensure staff and volunteers have appropriate training and input to maximise the value of IT in their roles
- Creating increased resilience in our use and storage of personal data and our governance reporting by creating a Data and Administration Team. The team is made up of staff from different teams who have a role in managing data and reporting from our key systems.

Increase our brand awareness by:

- Creating a communications strategy linked to our Side by Side developments to ensure our changed services are promoted and understood by key stakeholders in NHS and Social Care services as well as individuals in our community.
- Build on our baseline assessment of brand awareness in our key catchment area, by developing strong local campaigns targeting our key service user demographic.
- Develop a new website which emphasises our community focused services and allows users a stronger level of interaction with the hospice.
- Produce a portfolio of promotional literature to reinforce our brand in the local community.

Activity 5: Operate a well-governed, sustainable business

In 2020/21 our plans were to:

- commission a further governance review to take place in 2021/22

The Board Development Committee continues to have oversight of governance arrangements within the Trust. In light of the pandemic, we did not progress with the planned external governance review. Instead, we reviewed the committee structure to ensure that operational and governance structures were appropriately aligned with our new organisational structure, following our process of organisational change. Following feedback from trustees and staff, a People Committee was agreed for introduction in 2021-22 and some of the responsibilities of the Finance & Resources Committee were re-allocated to that Committee as a result.

When the Executive Assistant to the Chief Executive and Board of Trustees retired in December 2020, a Governance Manager was appointed. This enabled us to have a stronger focus on governance arrangements and more support to the Board of Trustees.

Trustees have particularly focused on ensuring that Safeguarding arrangements within the hospice and their own training are up to date. Trustees have completed the Charity Commission Safeguarding Framework as a way of reviewing arrangements and also collaborated with a number of other Sussex hospices in establishing safeguarding best practice.

Trustees have a direct link into the Freedom to Speak Up Guardian and a trustee email address is provided to staff and volunteers who may want to contact trustees directly.

The initial months of the pandemic were particularly challenging but Trustees agreed governance arrangements whilst face to face meetings were suspended. A core reporting framework was agreed to maintain oversight but it was also recognised that our main focus had to be on maintaining services and the safety of staff and people in our care. Our Google environment has facilitated easy sharing of documents and reporting and video conferencing has become a norm and an effective way of maintaining connections. Trustee visits were one of the casualties of Covid and these will be reintroduced as soon as practicable.

In 2021 / 22 our plans are to:

- Review our current arrangements alongside the previous Governance Review framework to consider whether any adjustments are required
- Re-introduce Trustee Visits and consider new ways for Trustees to have direct access to staff and volunteers as a route to providing assurance.

Our Supporters

The financial support we receive from individuals, families, community groups and local businesses is vital to enable us to provide our hospice services. We are, therefore, extremely grateful to everyone in the local community who supports us to care for people at the end of their lives.

The Trust is reviewing its Patrons structure and expects to recruit a new group of proactive Patrons to support and promote the vital need for hospice care in our local community.

Our Fundraising Activities

We are registered with the Fundraising Regulator and comply with their code of conduct and are committed to the highest standards in fundraising practice. We are also committed to the highest standards of data management whilst handling sensitive, personal data of our patients, supporters and staff. The hospice has a dedicated information governance group, who develop policy based on compliance with GDPR and other data regulation

We solicit donations through:

- Proactively promoting the benefits and importance of leaving the hospice a legacy.
- Undertaking targeted fundraising campaigns, including postal and digital communications
- Occasionally running cold marketing campaigns, where allowed by law and regulation, using mailings and social media
- Using stories and information to promote the hospice and raise awareness of the services we offer and the care we deliver. We use our own literature, the local press and social media to promote such stories.
- Promoting an annual calendar of events and community activities, encouraging supporters to participate and raise funds for the hospice.
- Our lottery, which is outsourced to the Local Hospice Lottery, a professional fundraising organisation
- Companies, charitable trusts & foundations, and other statutory grant giving organisations.

Our Volunteers

Throughout 2020/21 our volunteer workforce was directly affected by the COVID pandemic. Many volunteers found their roles were put on hold due to our shops and warehouse being closed and many of our counsellors and befrienders had to conduct their sessions via video or telephone.

Presently we have 435 volunteers in various roles. During the pandemic new roles were created such as Caller Companions in the Community Reach Programme; Lateral Flow Testers supporting visitors and staff to use the testing kits provided; Visiting Officers welcoming family members on pre-arranged visits, ensuring their and our safety and Care Support Workers helping on the IPU supplementing our existing staffing so that in the absence of family members, there was support, a listening ear and practical help available. These were roles that had or have a limited duration, although Caller Companions have now had the opportunity to develop their role and become volunteer Befrienders since the project has come to completion. We are also planning to continue to develop the Care Support Worker role on the ward and in the community as part of the Side by Side project.

Digital transformation has enabled improvements in the recruitment process, making it quicker, easier and more effective whilst ensuring we follow correct security checks and robust references. Positive outcomes have been volunteers recruited for short periods of time during furlough periods and recruiting for specific projects such as Caller Companions.

Volunteers had the opportunity to join weekly Zoom calls with the opportunity to chat, discuss fears and anxieties and have regular updates regarding the hospice. Many phone calls were also made to connect with our volunteers, as well as regular email updates.

From October 2019 we hosted two Full-Time live-in volunteers from Columbia and Korea working closely with national charity Volunteering Matters who organised their administration and visas for their stay. The opportunity enabled them to learn and experience all forms of volunteering in every department of the hospice and retail shops. Benefits to us have been their help particularly during lockdown where they single handedly watered gardens, kept the grounds from becoming overgrown, helped to sort donations and assisted on the ward. As well as introducing diversity and alternative culture we have made long standing friendships. We will be continuing this opportunity for new volunteers in the future working closely with Volunteering Matters or alternative organisations.

Unfortunately we were unable to hold our annual Volunteer Award Ceremony in 2020. We are planning the 2021 event at Pangdean Barn celebrating long service for our 2020 and 2021 volunteers as well as Volunteer of the Year and Volunteers who have fundraised for us.

Structure, Governance and Management

St Peter and St James Charitable Trust (the “Charity”) is a Company limited by guarantee, not having a share capital. It is governed by a Board of Trustees following the Articles of Association adopted on 3 October 2018 in place of its previous constitutional documents..

The Hospice operates a number of shops selling principally donated goods. St Peter and St James Hospice Shops Ltd (“Shops”) is a wholly-owned subsidiary of the charity whose main purpose is to sell a small range of new goods through the Hospice’s shops.

The Friends of St Peter and St James (“Friends”) is a ‘linked’ charity to St Peter and St James Charitable Trust.

The total of the three entities above is referred to in this report as the “Group”.

The Group is administered by a Board of Trustees that meets regularly throughout the year. The Chief Executive is appointed by the Trustees to manage the executive operation of the Charity with the support of the Executive Team and has delegated authority for the day-to-day management of the Charity.

The following four Committees each continued to support and report to the full Board throughout the financial year.

- Quality and Safety Committee
- Finance and Resources Committee
- Income Generation Committee
- Board Development Committee

In March 2021, the Board of Trustees agreed to create a new Committee to specifically oversee the work of People Services.

Membership of all Committees includes both Trustees and members of the Senior Leadership Team.

The Board Development Committee is responsible for overseeing Hospice governance and for the recruitment, induction and training of Trustees. It uses a skills and experience audit to determine the skills requirements for new Trustees when a vacancy arises, ensuring the Board and its Committees have the requisite skills and experience to function effectively.

Trustee vacancies are advertised on the Hospice website and prospective Trustees are shortlisted for interview. Following a successful interview, a recommendation is made to the Board which then decides whether to appoint. Prospective Trustees are invited to a Board meeting as observers before the appointment decision.

Following the appointment, Trustees are provided with governance documentation and current operational reports and are offered a structured induction programme.

The term of office for individual Trustees is four years, with a maximum of one renewal. New Trustees appointed by the Board are subject to formal appointment at the next AGM. The position of Chair of Trustees is held for a maximum period of 5 years.

The Executive Team comprises the Clinical Director, Director of Care, Director of Income and Operations and the Head of Finance working with the chief executive and trustees to provide leadership and direction to the organisation.

The Senior Leadership Team is made up of Heads of Service and managers responsible for the delivery of services and activities.

The Chief Executive's salary is set by the Board of Trustees and determined using an independent salary survey, developed in association with Hospice UK. Senior Leadership Team salaries are delegated to the Chief Executive to determine within budgetary constraints. All salaries are determined by a robust job evaluation process using Croner Reward software.

Collaboration and coordination are key in enabling the Charity to provide excellent personalised care. As well as the collaboration with other Sussex Hospices already referred to, the Hospice strives to maintain good working relationships with local GPs, Clinical Commissioning Groups, local authorities, other healthcare providers, and charities, including other Hospices.

Honorary President

Dame Vera Lynn CH, DBE (Died 18th June 2020)

Patrons

Anne Billson

The Viscount Brentford

Sir Edward Cazalet

Katie Derham

Edward Fox OBE

Piers Morgan

Edna Sugarman (Died 23rd June 2020)

Trustees

Keith Banbury OBE (Chair)

Harriet Creamer (Vice-Chair)

Dr Nick Barrie

Julie Burgess (Resigned 28 October 2020)

Caroline Cauvin (Appointed 3 March 2021)

Andrew Cook

David Crudge (Resigned 7 October 2020)

Christine Gibbons (Resigned 19 October 2020)

John Hills

Ian Johnstone (Appointed 3 March 2021)

Robin Knight

Isabelle Otway (Appointed 3 March 2021)

Deirdre Prower

Patricia Robinson

Lesley Strong (Appointed 3 March 2021)

Executive Team

Chief Executive: Barbara Williams

Director of Care: Anne Jackson (Resigned October 2020)

Clinical Director: Dr Charles Skinner

Director of Income and Operations: Giles Witcomb

Head of Finance: Andrew Collins

Risk Management

The Trustees, together with the Senior Leadership Team, regularly review and monitor risks the Charity is exposed to and ensure that appropriate controls are put in place to mitigate risks.

Risks are monitored in three key areas linked to our committee structure: Finance and Resources, Quality and Safety and Income Generation.

Risks are reviewed regularly by the risk owners in the Senior Leadership Team and changes reviewed and discussed in Operational Task Groups, Committee meetings and by the full Board.

The top risks currently identified by the organisation are:

- **Management of Clinical Resources** - We need to ensure we are deploying our clinical resources effectively across IPU, Community and Family Support Services in order to avoid peaks and troughs of activity and availability of staff. This has been a particular challenge during a year of pandemic with staff at times having to isolate or being affected by Covid themselves. The process of organisational change, including changes to terms and conditions of employment for staff will enable us to have greater flexibility in deploying staff where they are most needed to maintain the quality and consistency of services and improve our resilience.
- **Data management** - We are compliant with the NHS Data Security Protection Toolkit, particularly regarding our duty to protect the personal data shared with us by staff, volunteers and all people who use our services. Whilst our move to Google Workspace has made a significant improvement to our data storage and security, we still have work to do to reduce a reliance on paper-based records.
- **Business Continuity** - Covid 19 has added a layer of complexity in managing this risk. The organisation has focused on following government guidance, such as in the use of personal protective equipment and restricting access to the hospice for non-essential staff, volunteers and visitors, and on supporting staff and volunteers. Protecting the mental health and wellbeing of our staff and volunteers has been an important factor in maintaining business continuity.

Financial Review

Covid-19 had a profound financial impact on the charity and retail businesses and, as with the rest of the Hospice and Charity sector, the Hospice needed to rely on the generosity of our supporters and financial assistance from the Government.

The total income of the Group in 2021 fell to £5,184,860, a reduction of 16.82% on the £6,233,355 received in 2020. It should be noted that £1m of the 2020 income was an exceptional donation from the Verity Waterlow Endowment.

Expenditure was controlled tightly due to the challenging circumstances, and we were able to reduce this by 8.4% to £4,662,289 (2020: £5,090,697) whilst ensuring that the Hospice was still able to deliver a high quality service.

Covid-19 grant income to the group amounted to £1,365,401 (Charity grant income of £999,350 plus £366,051 allocated to Trading income).

This led to grant income increasing by 155% to £1,899,424 (2020: £743,356), £767,827 of which was awarded by NHS England to allow the hospice to make available bed capacity and community support, and support to people with complex needs in the context of the COVID-19 situation.

£224,856 was claimed through the Furlough scheme (Coronavirus Job Retention Scheme) in respect of non-critical staff, particularly in areas of the organisation that were not able to operate during the national lockdowns (£135,976 related to Retail staff). This funding is included as Grant income, and therefore neither showing as Trading income nor a reduction to salary expenditure.

Income from donations and fundraising decreased by 33.37% to £1,535,987 (2020: £2,305,175 - including £1m donation by the Verity Waterlow Endowment). The losses in public facing fundraising (events & community) were partially offset by increased individual giving including gift aid, particularly due to exceptionally successful fundraising campaigns.

£499,972 of legacies were recognised in the accounts during the year, less than a third of the £1,681,085 received in 2020. This includes £111,921 of legacies accrued that are due to be received in 2021/22. It should be stated that during the year there were Covid-19 related delays to the HM Courts & Tribunals probate process.

Trading income fell to £900,077 (2020: £1,162,734) and included government grants amounting to £366,051. The shops were shut for most of the year across the three national lockdowns, and when they were open for trading, both footfall and spending were very low compared with pre-pandemic levels.

Income from Charitable activities saw a slight increase to £330,222 (2020: £321,691), and saw a significant increase of funding of Government funded beds (provided through the Clinical Commissioning Groups (CCG's)).

Total expenditure on our shops was carefully controlled, and despite recognising staff salaries in full (furlough payments being allocated to Trust grant income), expenditure fell by 12.6% to £871,239 (2020: £996,492), creating a surplus of £28,838 for the Trust.

Charitable expenditure decreased by 2.63% to £3,505,742 (2020: £3,600,249), and comprised 75% of total expenditure (2020: 71%). This was achieved through budgets being reduced significantly and robust cost control processes.

Fundraising costs fell by 42% to £284,687 (2020: £490,699) due to events being largely held virtually and therefore having much lower supplier costs.

Investment income fell slightly to £19,178 (2020: £19,314), however the market value of investments increased by £54,050 (2020: £24,740 loss).

At 31 March 2021 the total surplus of the group for the year was £576,621 (2020: £1,117,918), with total funds increasing to £6,096,034 (2020: £5,519,413).

Investment Performance

Between 1 April 2020 and 31 March 2021 the capital value of the FTSE 100 increased by 13.78% (from 5901 to 6714 points). In the same period The St Peter and St James Charitable Trust portfolio performed slightly below the FTSE index as a whole, increasing by 13.69 % in capital terms to £489,007 (2020: £430,130).

The portfolio is managed in line with the Trustees' conservative approach to risk (2 on a scale of 1 to 6).

Investment Policy

The Charity's key objective with its investment portfolio is the protection of its investments in real terms. The Charity has a full discretionary management agreement with investment advisers Rathbones, based on achieving a balance of capital growth and income within a low-risk environment.

Given the nature of the service provided by the Charity and the evidence-based links between some serious health conditions and tobacco, no direct investment is made in any company that produces tobacco products.

Cash Deposit Policy

Other funds are held in short-term, interest-bearing cash accounts with major UK banks. Deposits in any one banking group are subject to a maximum of £450,000 and are placed for no longer than twelve months. Term deposits are placed if cash flow projections show that the funds are temporarily surplus to operational requirements.

Reserves

The Group's free reserves increased to £3,396,437 as at 31 March 2021 (2020: £2,644,859) after designating a Capital Replacement Fund of £278,462 (2020 £300,000), and a Legacy Accrual Fund of £111,921 (2020 £283,055). This is equivalent to 8 months' running costs (based on the operating budget for the following year).

The Trustees' policy in respect of free reserves ('General Funds') is that, because of the ongoing increase in the scale of Charity's activities and cost base, the minimum level of free reserves should be £1m, and ideally representing a minimum of six months' full running costs. Also, in recognition of the ongoing need for capital investment to replace and, where appropriate, enhance the Charity's assets, Trustees have created a Capital Replacement Fund for this purpose.

The Trustees' objectives are:

- that free reserves should be held at a sum sufficient to avoid an unacceptable level of disruption to services in the event of an unexpected downturn in income; and
- to recognise the need for continuing investment to maintain the quality of the Charity's assets to an adequate standard

The reserves position is monitored by the Finance and Resources Committee, which reports to the Board.

Total Funds

The total funds held at the end of the reporting period (31 March 2021) were £6,096,034 for the Group and £6,074,364 for the Charity. It should be noted that, of these funds, £2,152,148 represents the value of land and buildings used for the provision of the Charity's hospice services and is therefore not available to spend for operational purposes. The split between general, restricted and designated funds held by the Group at the end of the reporting period is below:

Total Funds of the Group on 31 March 2021:

Tangible Fixed Assets	£2,152,148
Legacy Accrual Fund	£111,921
Other Designated Funds	£290,652
Group General Funds	£3,396,437
Restricted Funds	£144,876
Total Funds	£6,096,034

Tangible Fixed Assets are Designated Funds that can only be realised through the disposal of those assets.

Trustees' Responsibilities

The trustees (who are also directors of St Peter and St James Charitable Trust for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including 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 the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

Auditors

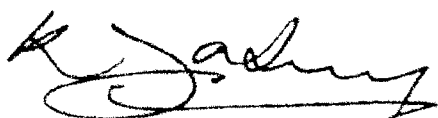
A resolution re-appointing Knill James LLP as auditors to the Charity will be proposed at the Annual General Meeting.

Acknowledgements

The Trustees extend their thanks to:-

- All members of staff and volunteers for their hard work and dedication to the Charity
- All Support Groups and the Friends of St Peter and St James who raised funds for the charity during the year
- All the individuals, corporate bodies, Trusts, and media organisations too numerous to mention who have so generously helped and supported the Charity during the year

This report, and the Strategic Report included in it, was approved by the Board on 14 September 2021.



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K Banbury

Chair

Independent Auditor's Report to the Members and Trustees of St Peter and St James Charitable Trust

Opinion

We have audited the financial statements of St Peter and St James Charitable Trust (the 'parent charitable company') for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 parent charitable company's affairs as at 31 March 2021 and of the group's incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report included within the trustees' report have 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

Based on our understanding of the group and parent charitable company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment regulation and health and safety legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006 and the Charities Act 2011. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entries and management bias in accounting estimates. Audit procedures performed included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims;

- Enquiry of entity staff in tax and compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings;
- Performing audit procedures on the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness;
- Evaluating the business rationale of any significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

Use of report

This report is made solely to the charitable company's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable companies trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Filsell FCA (Senior Statutory Auditor)

Knill James LLP

For and on behalf of Knill James LLP, Statutory Auditor

Date *16 September 2021*

Consolidated statement of financial activities (incorporating a consolidated income and expenditure account) for the year ended 31 March 2021

		2021	2021	2021	2021	2020
		Unrestricted	Designated	Restricted	Total	
Income:	Note	£	£	£	Funds	Total Funds
					£	£
Donations and legacies:						
Donations	2	1,451,161	4,892	79,934	1,535,987	2,305,175
Legacies	3	499,972	-	-	499,972	1,681,085
Grants	4	622,529	-	1,276,895	1,899,424	743,356
Total donations and legacies		2,573,662	4,892	1,356,829	3,935,383	4,729,616
Trading activities	5	900,077	-	-	900,077	1,162,734
Income from charitable activities	6	299,696	-	30,526	330,222	321,691
Investment income	7	19,178	-	-	19,178	19,314
Total income		3,792,613	4,892	1,387,355	5,184,860	6,233,355
Expenditure:						
Shop costs	8	868,643	-	-	868,643	996,492
Fundraising Costs	8	284,687	-	-	284,687	490,699
Investment management costs	8	3,217	-	-	3,217	3,257
Costs of raising funds		1,156,547	-	-	1,156,547	1,490,448
Expenditure on charitable activities	8	2,195,377	-	1,310,365	3,505,742	3,600,249
Total expenditure	8	3,351,924	-	1,310,365	4,662,289	5,090,697
Net income for the year before gains and losses on investments		440,689	4,892	76,990	522,571	1,142,658
Net gains/(losses) on investments		54,050	-	-	54,050	(24,740)
Net income for the year		494,739	4,892	76,990	576,621	1,117,918
Transfers between funds		256,839	(256,839)	-	-	-
Net movement in funds		751,578	(251,947)	76,990	576,621	1,117,918
Reconciliation of funds:						
Total funds brought forward		2,644,859	2,806,668	67,886	5,519,413	4,401,495
Total funds carried forward		3,396,437	2,554,721	144,876	6,096,034	5,519,413

All amounts relate to continuing activities of the group.

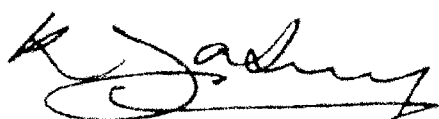
The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes to the accounts are shown on pages 31 to 49.

Balance sheets as at 31 March 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible assets	15	2,152,148	2,216,315	2,152,148	2,216,315
Investments	16	489,007	430,130	579,007	520,130
		2,641,155	2,646,445	2,731,155	2,736,445
Current assets					
Debtors	17	437,421	521,858	454,233	509,926
Current asset investments		2,147,024	2,137,827	2,147,024	2,137,827
Cash at bank and in hand		1,045,193	507,399	909,807	423,245
		3,629,638	3,167,084	3,511,064	3,070,998
Liabilities					
Creditors: amounts falling due within one year	18	(174,759)	(294,116)	(167,855)	(308,859)
Net current assets		3,454,879	2,872,968	3,343,209	2,762,139
Total assets less current liabilities		6,096,034	5,519,413	6,074,364	5,498,584
Total net assets		6,096,034	5,519,413	6,074,364	5,498,584
The funds of the charity:					
Restricted income funds	20	144,876	67,886	144,876	67,886
Unrestricted funds					
Designated funds	21	2,554,721	2,806,668	2,637,423	2,891,219
General funds	21	3,396,437	2,644,859	3,292,065	2,539,479
Total unrestricted		5,951,158	5,451,527	5,929,488	5,430,698
Total funds	22	6,096,034	5,519,413	6,074,364	5,498,584

Approved by the trustees on 14 September 2021 and signed and authorised for issue on their behalf by:



K Banbury
Chair



A Cook
Trustee (Chair of Finance & Resources Committee)

The notes to these accounts are shown on pages 31 to 49.

Statements of cash flows for the year ended 31 March 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Cash flows from operating activities:					
Net cash provided by/(used in) operating activities	27	594,089	1,488,625	542,857	1,480,347
Cash flows from investing activities:					
Dividends, interest and rents from investments		19,178	19,314	19,178	19,314
Proceeds from the sale of property and equipment		1,250	-	1,250	-
Purchase of property, plant and equipment		(62,623)	(166,108)	(62,623)	(166,108)
Proceeds from sale of investments		108,070	49,834	108,070	49,834
Purchase of investments		(112,973)	(56,458)	(112,973)	(56,458)
Net cash provided by/(used in) investing activities		(47,098)	(153,418)	(47,098)	(153,418)
Change in cash and cash equivalents in the reporting period		546,991	1,335,207	495,759	1,326,929
Cash and cash equivalents at the beginning of the reporting period		2,645,226	1,310,019	2,561,072	1,234,143
Cash and cash equivalents at the end of the reporting period	28	3,192,217	2,645,226	3,056,831	2,561,072

The notes to these accounts are shown on pages 31 to 49.

Notes to the accounts

1 Accounting policies

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

a) Basis of preparation

These accounts have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), "Accounting and Reporting by Charities" the Statement of Recommended Practice for charities applying FRS 102, the Companies Act 2006 and UK Generally Accepted Accounting Practice as it applies from 1 January 2019. The charitable company is a Public Benefit Entity as defined by FRS 102.

The accounts have been prepared on the historical cost convention, modified to include the revaluation of certain financial instruments at fair value. The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £.

b) Going concern

The financial statements are prepared on a going concern basis. The Trustees believe that there are no material uncertainties about the Charity's ability to continue as a going concern, after taking into account the further risks and reduced income levels from the impact of Covid-19.

c) Legal status of the Charity

The Charity is a company limited by guarantee and has no share capital. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

d) Group financial statements

The financial statements consolidate the results of the Charity, its wholly owned subsidiary, St Peter and St James Hospice Shops Ltd and the Friends of St Peter and St James on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure Account for the Charity has not been presented because the Charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

e) Fund accounting

Unrestricted funds

Unrestricted funds, which have not been designated for other purposes, are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity.

Designated funds

Designated funds are unrestricted funds of the Charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. The aim and purpose of each designated fund is set out in the notes to the financial statements.

Restricted funds

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The aim and use of each restricted fund is set out in the notes to the financial statements. Where possible, the cost of administering such funds is charged against the specific fund.

Fixed Assets

Fixed assets purchased without further restrictions are transferred to unrestricted funds in the year of purchase.

f) Income recognition

All incoming resources are included in the financial statements when the Charity is legally entitled to the income and the amount can be quantified with reasonable accuracy.

Legacies receivable are included in the accounts when they satisfy the following three criteria:

- **Entitlement** - control over the rights or other access to the economic benefit has passed to the Charity
- **Probable** - it is more likely than not that the economic benefits associated with the transaction or gift will flow to the Charity
- **Measurement** - the monetary value or amount of the income can be measured reliably and the costs incurred for the transaction and the costs to complete the transaction can also be measured reliably.

When donors impose conditions, which require a level of performance before entitlement can be obtained, then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled.

Residuary legacies

In relation to residuary gifts, as at the year end, the income recognition criteria above will be treated as satisfied if:

1. Notification or copy of the Will received;
2. Confirmation of the Grant of Probate;
3. Accounts received showing sufficient funds in the estate (either schedule of assets & liabilities or preferably estate accounts); and
4. Value of the final gift is confirmed.

Pecuniary legacies

The criteria for pecuniary legacies over £5,000 are the same as gifts of the same or greater value. Gifts below this level will be recorded by date of receipt.

Gifts in Kind

Gifts donated for resale are included as income when they are sold. Donated facilities are included at the value to the Charity where this can be quantified and a third party is bearing the cost.

Donated services and facilities

Material donated professional services and donated facilities are recognised as income when the three criteria of Entitlement, Probability and Measurement above have been met. In accordance with the Charities SORP (FRS 102), non-professional volunteer time is not recognised in the accounts.

g) Expenditure and irrecoverable VAT

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to

third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the following headings:

Costs of Raising Funds

Costs of raising funds comprises fundraising costs incurred in seeking donations, grants and legacies, and costs of fundraising activities; shop costs comprise costs of goods sold, commercial trading costs, and their associated support costs; and investment management fees. Fundraising costs do not include the costs of generating and reporting management information in respect of the charitable activities.

Expenditure on charitable activities

Expenditure on charitable activities includes the costs of providing specialist palliative care and support, community services, research and other educational activities undertaken to further the purposes of the Charity and their associated support costs.

Support Costs

Support costs are those that assist the work of the Charity but do not directly represent charitable activities - i.e. incurred directly in support of expenditure on the objects of the Charity. They include:

Administration costs - Includes the clinical database, clinical administration, general administration, IT, information governance, management and HR (includes employee and volunteer support and administration, staff and volunteer mandatory training costs plus clinical staff CPD).

Finance costs - Includes payroll and accounts

Governance costs - Those costs incurred in connection with compliance with constitutional and statutory requirements and strategic planning of the Charity.

Allocation

Support costs are allocated to each of the activities on one of the following bases: HR and volunteers' costs based on headcount and all other costs based on estimate of resource used.

Irrecoverable VAT

Irrecoverable VAT is not charged as a cost against the activity for which the expenditure was incurred, but is charged as a separate overhead.

h) Volunteers

In accordance with FRS 102 and the Charities SORP (FRS), the economic contribution of non-professional volunteers is not recognised in the accounts. Further detail of their contribution is provided in the notes to these financial statements and in the Strategic Report.

i) Fixed assets

Assets costing more than £1,000 are capitalised at their historical cost when purchased. Costs include expenditure directly attributable to making the asset capable of operating as intended.

Depreciation is provided to write off the cost or revalued amount of all fixed assets on a reducing balance basis over their expected economic useful lives as follows:

Freehold land	Nil
Freehold property	5%
Fixtures, fittings and equipment	15% or 20%
Computer equipment	33 %
Motor vehicles	25%
Equipment (Shops)	25%

j) Investments

Fixed Asset Investments

Fixed Asset 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, except for the shares in the trading subsidiary which are carried at cost. The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

All gains and losses are taken to the Statement of Financial Activities as they arise. Realised gains and losses on investments are calculated as the difference between sales proceeds and their opening carrying value or their purchase value if acquired subsequent to the first day of the financial year. Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised investment gains and losses are combined in the Statement of Financial Activities.

Current Asset Investments

Current asset investments are short term liquid investments, which are not required to cover day to day running costs. These comprise cash on deposit and cash equivalents held with other organisations other than our current bankers.

The Charity does not acquire derivatives or other complex financial instruments.

The main form of financial risk faced by the Charity in relation to investments 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.

k) Stock

Stock of retail purchased goods is included at the lower of cost or net realisable value. Donated items of stock for resale are not included in the financial statements until they are sold because the Trustees consider it impractical. Stock is donated through a range of different outlets. To assess the amount of donated stock and undertake a coordinated stock take would incur undue cost for the Charity which would far outweigh the benefit.

l) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due. Accrued income and tax recoverable is included at the best estimate of the amounts receivable at the balance sheet date.

m) Cash at bank and in hand

Cash at bank and cash in hand comprises cash required for the daily running costs of the Charity.

n) Creditors

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

o) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

p) Pensions

The Charity contributes to the defined benefit scheme (NHS Superannuation) for eligible staff and operates a defined contribution scheme for other staff. The contributions to the schemes are recognised as an expense in the financial statements as they become payable.

The NHS scheme may be defined as a defined benefit multiemployer plan, however, the Charity does not have any share of the underlying assets or liabilities. The contributions are determined by the Government actuary, and there is no further obligation from the Charity other than the initial contributions due.

q) Operating leases

Operating leases are recognised over the period in which the cost is incurred.

2 Donations

	2021	2020
	£	£
General Donations and Fundraising Events	1,342,776	2,180,985
Gift Aid	177,386	93,930
Other	15,825	30,260
	1,535,987	2,305,175

The income from donations was £1,535,987 (2020: £2,305,175) of which £1,456,053 was unrestricted (2020: £2,223,699) and £79,934 was restricted (2020: £81,476).

Included within 2020 unrestricted donations is a £1,000,000 exceptional donation from the Verity Waterflow Endowment.

3 Legacies

	2021	2020
	£	£
Legacy income	499,972	1,681,085
	499,972	1,681,085

The income from legacies was £499,972 (2020: £1,681,085) all of which was unrestricted.

This includes accruals of £111,921 legacy income (2020: £283,055) meeting the three criteria in the Legacy recognition policy (Entitlement, Certainty and Measurement) at 31 March 2021.

4 Grants received

	2021	2020
	£	£
NHS Clinical Commissioning Group Grants	623,342	607,552
Covid-19 Grants	999,350	
Other Statutory Grants	67,980	-
Trust and Other Fundraising Grants	208,752	135,804
	1,899,424	743,356

Government grants received from NHS Clinical Commissioning Groups ("CCGs") were £623,342 (2020: £607,552), of which £523,999 was unrestricted (2020: £510,614) and £99,343 was restricted (2020: £96,938). Restricted grants were for Specialist Palliative Care cover for weekends and Bank Holidays and for the provision of palliative care consultant sessions at Princess Royal Hospital, Haywards Heath.

The 2021 NHS CCG Grants figure includes £56,109 funding from NHS Horsham & Mid-Sussex CCG restricted for the provision of palliative care consultant sessions at Princess Royal Hospital, Haywards Heath (2020: £54,794).

Grants of £767,827 were received from NHSE in this financial year from the National Health Service England.

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the

COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose.

Total income from grants received was £1,899,424 (2020: £743,356) of which £622,529 was unrestricted (2020: £590,954) and £1,276,895 restricted (2020: £152,402).

Included in Trust and Other Fundraising Grants were two gifts totalling £30,000 from the Laurence Misener Charitable Trust (2020: £15,000).

We also received £5,000 from the Kytes Trust (2020: nil), £2,000 from Mid Sussex District Council (2020: £2,569), £2,500 from the Masonic Charitable Foundation (2020: £1,765), £2,000 from the Sussex Masonic Centre (2020: £2,450) and £100 from Bolney Parish Council (2020: £200), £1,000 from Lewes Town Council (2020: £500), £400 from Hurstpierpoint Parish Council (2020: nil), £250 from Lindfield Parish Council (2020: nil), £1,000 from Ockenden Lodge (2020: nil), £600 from Maresfield Parish Council (2020: £600) and £500 from Haywards Heath Town Council (2020: £1,250).

5 Trading Activities

	2021 £	2020 £
Shop income from sale of donated goods and new goods	526,926	911,340
Covid-19 Business Grants	366,051	-
Income from Shops donated Goods Gift Aid Scheme:		
- Sale of goods from Shops Donated Gift Aid Scheme	-	202,894
- Gift aid income from sale of goods on an agency basis	7,100	48,500
Total income from Trading Activities	900,077	1,162,734
Shops and trading activity costs net of Charity administration fee	852,039	945,875
Trust support costs allocated to Trading Activities	19,200	50,617
Total expenditure from Trading Activities	871,239	996,492
Net Profit arising from Trading Activities	28,838	166,242

Income in both the current and previous year are unrestricted funds.

Covid-19 Business Grants were awarded by HM Government under the Retail, Hospitality and Leisure scheme (RHL) to support businesses that needed to shut for periods of time during the pandemic.

	Govern- ment funding £	Other funding £	2021 £	2020 £
6 Income from charitable activities				
Funded Beds	234,688	54,893	289,581	267,885
Befriending	34,966	-	34,966	34,197
Wellbeing Funded Therapy	-	(4,440)	(4,440)	13,650
Education and Training	-	10,115	10,115	5,959
Total	269,654	60,568	330,222	321,691

The income from charitable activities was £330,222 (2020: £321,691) of which £299,696 was unrestricted (2020: £273,844) and £30,526 restricted (2020: £47,847).

Funded Beds includes government funding from CCGs of £234,688 (2020: £141,162) to cover residential inpatient care for patients, with individual funding agreed for each patient.

Befriending; West Sussex County Council ("WSCC") and East Sussex County Council ("ESCC") both provide funding to support carers of patients of the Charity and improve their wellbeing.

7 Investment income

	2021	2020
	£	£
Rental Income	1,020	1,020
Dividends - equities	8,387	10,584
Bank Interest	9,771	7,710
	<u>19,178</u>	<u>19,314</u>

Investment income received was £19,178 (2020: £19,314) of which £19,178 was unrestricted (2020: £19,314) and £nil restricted (2019: nil)

8 Analysis of Expenditure

	Direct Costs £	Support costs (note 11) £	2021 £	2020 £
Costs of Raising Funds				
Shop costs	813,770	54,873	868,643	996,492
Fundraising Costs	248,652	36,035	284,687	490,699
Investment Management Costs	3,217	-	3,217	3,257
Total Cost of Raising funds	1,065,639	90,908	1,156,547	1,490,448
Charitable Activities				
Hospice	1,167,544	229,778	1,397,322	1,467,741
Community Care	594,089	58,822	652,911	618,277
Wellbeing	247,692	90,019	337,711	343,398
Funded Beds	924,390	192,516	1,116,906	1,164,874
External Clinical Services & Training	892	-	892	5,959
Total Charitable Activities	2,934,607	571,135	3,505,742	3,600,249
Total	4,000,246	662,043	4,662,289	5,090,697

Of the total expenditure of £4,662,289 (2020: £5,090,697), all expenditure for raising funds of £1,156,547 (2020: £1,490,448) was unrestricted. Of charitable activities expenditure of £3,505,742 (2020: £3,600,249); £1,310,365 (2020: £221,157) was restricted and £2,195,377 (2020: £3,379,092) was unrestricted.

In 2021 £1,276,895 of exceptional restricted grants (per note 4) were awarded during the pandemic to support charitable expenditure. As such the proportion of expenditure covered by restricted funding was much greater in 2021 than in 2020, which led to a reduction in the proportion of expenditure being covered through unrestricted funding.

9 Comparative Funds - Statement of Financial Activities for the year ending 31 March 2020

	2020 Unrestricted £	2020 Designated £	2020 Restricted £	2020 Total Funds £
Income:				
<i>Donations and legacies:</i>				
Donations	2,221,851	1,849	81,475	2,305,175
Legacies	1,681,085	-	-	1,681,085
Grants	590,954	-	152,402	743,356
Total donations and legacies	4,493,890	1,849	233,877	4,729,616
<i>Trading activities</i>	1,162,734	-	-	1,162,734
<i>Income from charitable activities</i>	273,844	-	47,847	321,691
<i>Investment income</i>	19,314	-	-	19,314
<i>Other income</i>	-	-	-	-
Total income	5,949,782	1,849	281,724	6,233,355
Expenditure:				
Shop costs	996,492	-	-	996,492
Fundraising Costs	490,699	-	-	490,699
Investment management costs	3,257	-	-	3,257
Costs of raising funds	1,490,448	-	-	1,490,448
Expenditure on charitable activities	3,365,819		234,430	3,600,249
Total expenditure	4,856,267	-	234,430	5,090,697
Net income for the year before gains and losses on investments	1,093,515	1,849	47,294	1,142,658
Net gains/(losses) on investments	(24,740)	-	-	(24,740)
Net income/(expenditure) for the year	1,068,775	1,849	47,294	1,117,918
Transfers between funds	130,273	(130,273)	-	-
Other recognised gains and losses				
Gains on revaluation of freehold property				
Net movement in funds	1,199,048	(128,424)	47,294	1,117,918
<i>Reconciliation of funds:</i>				
Total funds brought forward	1,445,811	2,935,092	20,592	4,401,495
Total funds carried forward	2,644,859	2,806,668	67,886	5,519,413

10 Analysis of support costs	Administration	Finance	Governance	2021	2020
	£	£	£	£	£
Shop costs	36,667	8,470	9,736	54,873	50,617
Fundraising costs	18,571	5,294	12,170	36,035	39,616
Cost of generating funds	55,238	13,764	21,906	90,908	90,233
Hospice	156,955	33,879	38,944	229,778	217,152
Community Care	35,273	5,294	18,255	58,822	57,807
Wellbeing	55,883	15,881	18,255	90,019	76,010
Continuing Care	131,121	37,055	24,340	192,516	165,089
External Clinical Services & Training	-	-	-	-	-
Charitable services	379,232	92,109	99,794	571,135	516,058
Total	434,470	105,873	121,700	662,043	606,291
Prior year totals	401,431	89,328	115,532		606,291

11 Governance costs	2021	2020
	£	£
Management	112,575	107,586
Audit and Accountancy Fees	9,125	6,000
Other Professional Fees	-	1,956
	121,700	115,532

12 Analysis of staff costs and key management personnel	2021	2020
	£	£
Wages and salaries	3,170,761	3,177,619
Social security costs	265,029	258,095
Pension costs	207,528	208,125
	3,643,318	3,643,839

The Trustees were not paid and did not receive any other benefits from employment with the Hospice or its subsidiary in the year (2020: £nil). No trustees were reimbursed expenses for travel and training during the year (2020: £nil). No Trustee received payment for professional or other services supplied to the Charity (2020: £nil).

The average monthly headcount was 141 (2020: 151) and analysis of the staff employees in the year were:

	2021		2020	
	<i>Actual Number</i>	Full time equivalent	<i>Actual Number</i>	Full time equivalent
Direct charitable services	77	51	97	63
Fundraising & Trading	45	36	40	35
Support services	19	15	14	11
Total	141	102	151	109

Throughout the year we also had 10 (compared to 26 in 2020) bank staff available to provide support in the event of short notice absences.

The number of employees whose total employee benefits, excluding pension contributions were over £60,000, (classified within bands of £10,000) are as follows:

	2021	2020
£60,000 - £69,999	2	-
£70,000 - £79,999	1	1
£80,000 - £89,999		1
£90,000 - £99,999	1	1

Pension contributions relating to those staff earning over £60,000 totalled £35,247 in the current year (2020: £31,870).

Pension Contributions

The Charity contributes to the NHS Superannuation scheme for eligible staff and operates a defined contribution scheme for other staff. The pension charge for the year represents contributions payable by the Charity to the schemes and amounted to £222,971 (2020: £208,125). At 31 March 2021 £26,741 was outstanding in respect of pension contributions (2020: £31,870).

Key Management Personnel

FRS 102 defines 'key management personnel as those persons having authority and responsibility for planning, directing and controlling the activities of the Charity, directly or indirectly, including those members of staff who are the senior management personnel to whom the Trustees have delegated significant authority or responsibility in the day-to-day running of the charity'. We have interpreted this to be the Trustees and the Chief Executive whose employee benefits for both the Charity and the Group were £79,171 in total (2020: £87,968).

Volunteers

The Group had 438 volunteers during the year (Prior year: 450), of which 180 (Prior year: 170) worked in our retail operations and 258 (Prior year: 280) supported the charitable and administrative work of the Charity.

13 Net incoming resources

	2021	2020
	£	£
Net incoming resources is stated after charging:		
Depreciation	126,368	179,436
Auditors remuneration:		
- for audit services	9,125	6,000
- for accountancy services	-	-
Operating lease rentals	165,940	164,153

14 Taxation

The company is a registered charity and as such is exempt from taxation on its income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied for charitable purposes.

15 Tangible fixed assets

<u>Group and Charity</u>	Freehold property £	Fixtures and fittings £	IT Equipment £	Motor Vehicles £	Total £
Cost					
At start of year	3,420,166	899,895	152,133	130,645	4,602,839
Additions	43,781	11,488	7,354	-	62,623
Disposals	-	-	-	(1,000)	(1,000)
At end of year	3,463,947	911,383	159,487	129,645	4,664,462
Depreciation					
At start of year	1,420,994	724,562	153,743	87,225	2,386,524
Charge for the year	95,908	33,402	(13,796)	10,854	126,368
Disposals	-	-	-	(578)	(578)
At end of year	1,516,902	757,964	139,947	97,501	2,512,314
Net book value at the end of the year	1,947,045	153,419	19,540	32,144	2,152,148
Net book value at the start of the year	1,999,172	175,333	(1,610)	43,420	2,216,315

Freehold property includes freehold land of £180,000 that is not depreciated. The market value of the land has been valued by the directors at £345,000.

16 Investments

	2021	2020
	£	£
a) Investments - Group and Charity		
At start of the year	430,130	448,246
Additions	148,937	22,473
Disposals	(108,070)	(49,834)
Movement in cash	(35,964)	33,985
Unrealised Gains/(loss) on Revaluation	53,974	(24,740)
At end of the year	489,007	430,130
b) Analysis of investments		
Listed investments	471,987	377,146
Other investments	300	300
Cash held as part of the investment portfolio	16,720	52,684
Total group	489,007	430,130
Equity investment in subsidiary	90,000	90,000
Total charity	579,007	520,130

All investments are held in the UK. The historical cost of the listed and other investments is £387,207 (prior year: £331,648)

c) Trading subsidiary

The Charity owns a subsidiary, St Peter and St James Hospice Shops Limited (company number 3146736), whose main purpose is to sell new trading goods to raise funds for the Charity and which pays all of its profits to the Charity under the gift aid scheme. The Charity holds 90,000 ordinary shares of £1 each in its wholly owned trading subsidiary company, St Peter and St James Hospice Shops Limited, which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised as follows:

Income statement	2021	2020
	£	£
Turnover	29,016	67,241
Cost of sales	(8,635)	(26,282)
Gross profit	20,381	40,959
Operating expenses	(19,200)	(32,000)
Profit on ordinary activities	1,181	8,959
Donation to hospice	(1,181)	(8,959)
Increase/(decrease) in the Retained profit for the year	-	-
Balance sheet		
Current Assets	224,760	134,915
Liabilities	(52,273)	(29,535)
Net assets	172,487	105,379
Represented by:		
Capital	90,000	90,000
Reserves	82,487	15,379
	172,487	105,379

17 Debtors

	Group 2021	Group 2020	Charity 2021	Charity 2020
	£	£	£	£
Trade debtors	43,775	50,013	41,641	50,013
VAT recoverable	48,097	51,454	9,924	37,673
Amount due from subsidiary	-	-	59,326	-
Other debtors and prepayments	345,549	420,391	343,342	422,240
	437,421	521,858	454,233	509,926

18 Creditors: amounts falling due within one year

	£	£	£	£
Trade creditors	52,040	137,758	33,123	108,223
Taxation and social security	60,704	69,237	60,704	69,237
Amount due to subsidiary	-	-	-	44,278
Other creditors	31,987	30,239	31,987	30,239
Accruals and deferred income	30,028	56,882	42,041	56,882
	174,759	294,116	167,855	308,859

19 Operating Leases

	2021	2020
The Trust has total commitments under operating leases as follows:	£	£
Not later than one year	179,065	196,940
Later than one and not later than five years	617,943	652,712
Later than five years	448,461	593,561
	1,245,469	1,443,213

20 Restricted funds

	Balance at 31 March				Balance at 31 March
	2020	Income	Expenditure	Transfers	2021
	£	£	£	£	£
Restricted Revenue Fund	55,314	1,339,121	(1,262,131)	-	132,304
Community Nursing Fund	-	43,234	(43,234)	-	-
Restricted Capital Fund	12,572	5,000	(5,000)	-	12,572
Total Group Restricted	67,886	1,387,355	(1,310,365)	-	144,876

Restricted Revenue Fund

The Restricted Revenue Fund represents monies given to the Charity for specific purposes for the purchase of small items and revenue expenditure.

The Restricted Revenue Fund includes grants relating to Befriending, which represents monies received from East Sussex and West Sussex County Councils to support and improve the wellbeing of those caring for someone with a life limiting illness.

The Restricted Revenue Fund also includes funds for External Clinical Services from our contract with NHS Horsham & Mid Sussex CCG to provide palliative care consultant sessions at our local hospital and services to train students in palliative care.

Community Nursing Fund

The Community Nursing Fund represents one off restricted donations and ongoing grants to support our specialist Community Nurse team.

Restricted Capital Fund

The Restricted Capital Fund represents monies given for specific capital appeals.

21 Unrestricted funds	Balance at 31 March 2020 £	Income £	Expenditure and gains £	Transfers £	Balance at 31 March 2021 £
Friends of St Peter and St James	7,298	4,892	-	-	12,190
Tangible Fixed Assets	2,216,315	-	-	(64,167)	2,152,148
Forecast Deficit Provision Fund	-	-	-	-	-
Legacy Accrual Fund	283,055	-	-	(171,134)	111,921
Capital Replacement Fund	300,000	-	-	(21,538)	278,462
Total Designated funds	2,806,668	4,892	-	(256,839)	2,554,721
General fund Trust	2,539,479	3,763,597	(3,268,858)	256,839	3,291,057
General fund Shops	105,380	29,016	(29,016)	-	105,380
Total General fund	2,644,859	3,792,613	(3,297,874)	256,839	3,396,437
Total Unrestricted funds	5,451,527	3,797,505	(3,297,874)	-	5,951,158

Designated funds:

Unrestricted funds in the Friends of St Peter and St James have been set aside as designated funds in the Group accounts to meet the future needs for medical equipment and associated costs of the Charity.

The Tangible Fixed Asset Fund represents the net book value of the tangible fixed assets held by the Charity, which includes any building work-in-progress. Fixed assets are integral to the provision of charitable activities and therefore not readily available to spend (e.g. hospice buildings).

The Legacy Accrual Fund represents legacy income received after the year end that has been accrued into the accounts.

The Trustees established the Capital Replacement Fund in recognition of the ongoing need for capital investment to replace and, where appropriate, enhance the Charity's assets. A Stock Condition Survey was undertaken in 2017 by a third party, and was reviewed during 2020-21. The fund balance represents the expected capital expenditure required to 31 March 2024.

Unrestricted funds (Prior Year)	Balance at 31 March 2019 £	Income £	Expenditure and gains £	Transfers £	Balance at 31 March 2020 £
Friends of St Peter and St James	5,449	1,849	-	-	7,298
Tangible Fixed Assets	2,229,643	-	-	(13,328)	2,216,315
Forecast Deficit Provision Fund	-	-	-	-	-
Legacy Accrual Fund	390,000	-	-	(106,945)	283,055
Capital Replacement Fund	310,000	-	-	(10,000)	300,000
Total Designated funds	2,935,092	1,849	-	(130,273)	2,806,668
General fund Trust	1,340,431	5,882,541	(4,813,766)	130,273	2,539,479
General fund Shops	105,380	67,241	(67,241)	-	105,380
Total General fund	1,445,811	5,949,782	(4,881,007)	130,273	2,644,859
Total Unrestricted funds	4,380,903	5,951,631	(4,881,007)	-	5,451,527

22 Net assets by funds (Current Year)

	Year Ended 31 March 2021			
	General funds £	Designated funds £	Restricted funds £	Total funds £
Investments	489,007	-	-	489,007
Tangible fixed assets	-	2,152,148	-	2,152,148
Current assets	3,082,189	402,573	144,876	3,629,638
Creditors falling due in less than one year	(174,759)	-	-	(174,459)
<i>Creditors falling due in more than one year</i>	-	-	-	-
	3,396,437	2,554,721	144,876	6,096,034

Net assets by funds (Prior Year)

	Year Ended 31 March 2020			
	General funds £	Designated funds £	Restricted funds £	Total funds £
Investments	430,130	-	-	430,130
Tangible fixed assets	-	2,216,315	-	2,216,315
Current assets	2,533,290	590,353	43,441	3,167,084
Creditors falling due in less than one year	(318,561)	-	24,445	(294,116)
	2,644,859	2,806,668	67,886	5,519,413

23 Related party transactions

Donations received from related parties (defined as Trustees and key management personnel) totalled £1,410 (2020 £8,585)

The following transactions took place between the Charity and its wholly owned subsidiary, Shops:

- The transfer under gift aid of the trading profits of the Shops to the Charity of £1,181 (2020: £8,959)
- The transfer of an administration charge from Shops to the Charity of £19,200 (2020: £32,000)

Balances outstanding from the Shops to the Charity as at 31 March 2021 were £nil (2020: £nil)

24 Financial performance of the Charity

The consolidated statement of financial activities includes the results of the Hospice's wholly owned trading subsidiary St Peter and St James Hospice Shops Limited and the Friends of St Peter and St James. The summary performance of the Charity alone is as follows:

	2021 £	2020 £
Income	5,184,017	6,203,265
Total expenditure	4,608,237	5,089,154
Net surplus /(deficit)	575,780	1,114,111
Total funds brought forward	5,498,584	4,384,473
Total funds carried forward	6,074,364	5,498,584
Represented by:		
Restricted funds	144,876	67,886
Unrestricted funds	5,929,488	5,430,698
	6,074,364	5,498,584

25 Financial performance of the Friends of St Peter and St James

The Friends of St Peter and St James is a registered charity, number 288522, whose objects are to relieve the patients of the Hospice who are sick, convalescent, disabled, handicapped or infirm and generally to support the charitable work of the Hospice to whom the Friends of St Peter and St James are ultimately responsible. A summary of the financial activities of the Friends of St Peter and St James is given below and these have been consolidated into the group accounts.

	Unrestricted	Restricted	2021	2020
	£	£	£	£
Income				
Donations and subscriptions	4,892	-	4,892	1,849
Gift Aid	-	-	-	-
Investment income	-	-	-	-
Total income	4,892	-	4,892	1,849
Resources expended - charitable activities	-	-	-	-
Net movement in funds	4,892	-	4,892	1,849
Funds brought forward	7,298	-	7,298	5,449
Funds carried forward	12,190	-	12,190	7,298
Current Assets				
Debtors		-		-
Cash at bank	12,190	-	12,190	7,298
Total net assets	12,190	-	12,190	7,298
Funds of the Charity				
Unrestricted Funds	12,190	-	12,190	7,298
Restricted Funds	-	-	-	-
Total Funds	12,190	-	12,190	7,298

26 Contingent liabilities

In November 2019 the Charity received £16,498 in relation to a complex estate distribution, for which the Charity has been required to give an indemnity to the executor of the estate should there be a counterclaim. The Trustees believe the likelihood of a claim being made to be remote and accordingly no provision has been made in these accounts.

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

	Group	Group	Charity	Charity
	£	£	£	£
Net income/(expenditure) for the reporting period	576,621	1,117,918	575,780	1,114,111
Adjustments for:				
Depreciation charges	126,368	179,436	126,368	179,436
(Increase)/decrease in debtors	84,4379	43,113	55,693	58,399
Increase/(decrease) in creditors	(119,357)	142,732	(141,004)	122,975
Loss/(profit) on the sale of fixed assets	(828)	-	(828)	-
(Gains)/losses on investments	(53,974)	24,740	(53,974)	24,740
Dividends, interest and rents from investments	(19,178)	(19,314)	(19,178)	(19,314)
Net cash provided by operating activities	594,089	1,488,625	542,857	1,480,347

28 Analysis of cash and cash equivalents

	Group	Group	Charity	Charity
	2021	2020	2021	2020
	£	£	£	£
Cash at bank and in hand	1,045,193	507,399	909,807	423,245
Short term deposits	2,147,024	2,137,827	2,147,024	2,137,827
Total cash and cash equivalents	3,192,217	2,645,226	3,056,831	2,561,072

Key Addresses

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