

# Richard House Trust

Registered Charity Number: 1059029

Registered Company Number: 3232837

## REPORTS AND ACCOUNTS FOR YEAR ENDED 31 MARCH 2022

Richard House Trust is a registered charity (1059029) and a company limited by guarantee (3232837 - England & Wales).

Its registered office is Richard House Children's Hospice, Richard House Drive, London E16 3RG.



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# Part 1

## Report from the Trustees

## Introduction from our Chair

The Board of Trustees is pleased to present the Richard House Children's Hospice annual report and financial statements for 2021/22.

Our purpose at Richard House is to provide the best possible care and support to children and young people with life limiting conditions and their families. Whilst our focus remains unchanged, the challenges of Covid-19 continued to affect all aspects of our activities during the year.

Ensuring the safety and wellbeing of our staff, while protecting the hospice and maintaining services, remained a priority. Staff who provide care in the hospice or through our Hospice at Home service maintained stringent working practices to ensure rigorous infection control. We are proud that there was not a single case of a child in our care contracting Covid-19 through contact with Richard House staff. Where possible, staff beyond the care team played their part in keeping our children and families safe by continuing to work from home and to connect virtually with those who support Richard House. Our retail staff put in a wonderful performance despite again having to manage the closing and re-opening of our shops, while our volunteers earned our gratitude by adapting to new ways of working while continuing to show their extraordinary commitment to Richard House.

We thank them all and extend our particular thanks to our CEO, Chris Baker, who continued to steward Richard House so smoothly through yet more turbulent times.

During the year Richard House continued to work in partnership with the NHS, caring for a number of life limited children with complex care needs who stayed with us on a long term basis. These children clearly benefitted from the move to Richard House and our care staff in turn benefitted from the exposure to and experience of caring for children with more complex needs. We hope and expect to continue to care for such children, alongside those who need the short term respite and other care Richard House provides.

Financially, this has been a difficult year for Richard House. The level of Covid-19 support provided by the government in 2020/21 was not repeated this year, while at the same time many of our fundraising activities continued to be impacted by Covid-19 restrictions. These restrictions also impacted the fundraising activities of our corporate and community supporters, preventing them from helping us to the extent they would have wished. Some trusts and foundations which had given so generously when Covid-19 hit were unable to do so for a second year: we would again like to thank them for giving us exceptional support when this was possible, allowing us to keep our doors open throughout the pandemic. We remain grateful to the trusts, foundations, organisations and individuals whose support continues to help us through these difficult times and to the diverse collection of faith, community and social groups on whom we rely to promote our work and provide assistance.

The consequence of expenditure exceeding income in the year 2021/22 has been an unwelcome reduction in our reserves and cash resources. These are now below the levels the Board believes prudent to maintain to ensure our resilience and sustainability. We expect 2022/23 to be another challenging year but will focus on increasing our reserves and cash resources over the next five years.

Despite the challenges of operating in such an uncertain environment, it gives me great pleasure to reflect on the quality of care Richard House continues to provide for the children, young people and families who are most in need of our support.

The Board of Trustees would like to thank all those who have supported Richard House during the year.

Nicola Ukiah, Chair

## **Richard House Trust Trustee Directors' Annual Report**

The Trustee Directors present their Trustee Directors' Annual Report and the audited financial statements of the company for the year ended 31 March 2022.

### **Reference and administration details**

Charity name:	Richard House Trust
Registered company number:	3232837
Registered charity number:	1059029
Registered office:	Richard House Children's Hospice Richard House Drive London E16 3RG
Trustee Directors:	David Bickerton Sara Hazzard Quentin Humberstone – Resigned 25/02/2022 James Joly Sir Robin Knowles CBE QC – Resigned 25/02/2022 Derek Lovelock Wendy Pritchard Gowhar Shaikh Dr Meng Tan Nicola Ukiah (Chair) John Winter
Chief Executive and Company Secretary:	Christopher Baker
Auditors:	Moore Kingston Smith LLP 6 <sup>th</sup> Floor 9 Appold Street London EC2A 2AP
Bankers:	HSBC 59-61 The Mall Stratford London E15 1X

## Structure, Governance and Management

### Governing document

The company is limited by guarantee governed by its Memorandum and Articles of Association dated 1 August 1996 as amended on 4 October 1996, 27 January 1999, 18 August 2010 and 15 November 2011. Every member undertakes to contribute such amount as may be required, not exceeding £1, to the company's assets if the company should be wound up whilst he or she is a member or within one year after he or she ceases to be a member. The company is also a registered charity.

### Appointment of Trustee Directors

The Board of Trustee Directors selects new members of the Board of Trustee Directors. Applications for trusteeship are sought by various methods including advertisement and with regard to the mix of experience and skills required for the good governance of the Trust.

### Trustee induction and training

New Trustee Directors are provided with an information pack and full in-house induction at the time of their appointment. A programme of training updates is also in place for all Trustees Directors. All trustees have been DBS checked.

### Related parties

Richard House Trading Company Limited, a wholly owned subsidiary of the charity, was established to operate the trading activities. In accordance with its Memorandum and Articles of Association, Richard House Trading Company Limited gifts, as Gift Aid, its profits to the charity. Richard House Developments Limited, a wholly owned subsidiary of the charity, has been dormant since 31 March 2004.

### Compliance with ICO regulation

We are registered with the Fundraising Regulator and comply with the Codes of Fundraising Practice and we are committed to complying with the regulator's Fundraising Promise together with the Information Commissioner's Office (ICO) Direct Marketing guidelines. Over the past year we have reviewed the information we hold and have implemented procedures to comply with new GDPR regulation. This year we sent out 20,000 fundraising communications and received one complaint. This complaint was resolved through discussion with the complainant. We take all complaints seriously and aim to resolve or acknowledge receipt of all complaints immediately, certainly within five working days.

### Organisation

The Board of Trustee Directors is responsible for the governance, strategy and direction of the charity. The Senior Leadership Team (with responsibility for care and family services, income generation, human resources and engagement, finance and operations) led by the Chief Executive, is accountable for the delivery of the strategy. Day-to-day activities and operations are carried out by appropriately qualified staff and volunteers, under the leadership and direction of the Chief Executive and other members of the Senior Leadership Team. The remuneration of key management has been set by the Trustees taking account of market rates, expertise, experience and skills required to fulfil the roles successfully. The Board of Trustee Directors has continued to meet by zoom throughout the year supported by committees attending to more specific matters involved with clinical governance, finance and fundraising. A separate Richard House Trading Company Limited Board of Directors meets to oversee the affairs of that company.

### Risk management

The Board of Trustee Directors is aware of the need for major risks to be identified and managed, and systems and staff structures are in place to support this. Richard House Trust is registered with the Care Quality Commission under the Care Standards Act 2000 and the Health and Social Care Act 2008 and as such is inspected, in accordance with the appropriate schedules, by their regulatory agencies. Richard House Trust holds a risk register and the process of risk management includes regular consideration of new

risks, which is undertaken by the Senior Leadership Team. The Board of Trustee Directors is updated on these risks and consider that the major risks to which the charity is exposed have been reviewed and that systems or procedures have been established to manage these.

## Vision, Mission and Values

### Our Vision

Our vision is for communities to have space where they can journey together to create positive memories of living and dying.

### Our Mission

- To work in collaboration with others to provide holistic care for children and young people with life-limiting or life-threatening conditions and complex healthcare needs.
- To help families choose when, where and how they receive care and to provide:
  - specialist nursing and medical care
  - short breaks and respite care
  - end of life care
  - family support before and after death
- To support individuals, families and communities of all faiths and none with living, dying and death to promote education and understanding of issues to do with living, dying and death.

### Our Values

We create a happy and **POSITIVE** environment for all

We are **RESPECTFUL** and welcome people from all our diverse communities and treat them with care and respect

We value openness and **INTEGRITY** in all our dealings

Our **DEDICATED** staff and volunteers put children, young people and families at the centre of our work

We are passionate about achieving **EXCELLENCE** in all we do.



## Our Communities

### Our families

From the moment a child is diagnosed with a life-limiting, life-threatening or complex health condition everything changes. These changes affect the whole family, which is why we feel it is vital not only to provide care to the child but to support the whole family.

Richard House provides a family-centred, needs led, and outcome based service to ensure that all psychological, physical, emotional, social and spiritual needs of our children, young people and families are met.

Poverty and disadvantage also have a significant impact on the families we work with:

- The majority of our families come from boroughs with the highest child poverty rates in the UK, Tower Hamlets, Newham and Hackney.
- Newham, Tower Hamlets, Barking and Dagenham and Hackney have some of the highest levels of income deprivation in London.

Medical advances are enabling children with increasingly complex conditions to live longer and we feel passionately that these children need to be supported.

Our families remain committed to Richard House and show their support for us by holding events to raise money even after they no longer use our services.

### Our staff

Ensuring the safety and wellbeing of our staff, as well as protecting the hospice and maintaining services, remained a priority this year. We regularly reviewed and adapted our COVID secure working practices to provide protective care and maintained strict control measures including limiting access to the hospice and requiring lateral flow tests to be taken before entry. We moved from mainly home working to limited hybrid working for our non-care staff as circumstances and Government Guidance allowed. We held regular virtual 'Town Hall' meetings for our staff to ensure that they were kept up to date with what was happening at the organisation. We have an employee assistance programme in place providing a range of support services and have regularly promoted this, along with additional wellbeing resources, to ensure that staff have access to such support when needed.

Our development programme for palliative care nurses broadens their specialist competencies. This training means we can continue to support a range of complex cases, which has increased our catchment area, as this level of care is not available generally.

Recruitment and retention remains a priority focus in Care and Family Services due to the ongoing nationwide shortage of nursing staff. We continued to expand our bank of temporary staff to increase flexibility in staffing and to help prevent staff shortages.

### **Our volunteers**

Volunteers are a crucial part of the Richard House family, with approximately 150 volunteers giving their time and skills to support our children and families. Their roles range widely, from retail assistants to van drivers; from receptionists to gardeners. While we have had to pause some of our volunteering activities in order to safeguard the hospice and our volunteers, volunteer commitment to Richard House remains high and volunteers have keenly returned to their roles. We look forward to welcoming all of our volunteers back as circumstances permit.

To us they are our **HEROES**

Happy to help

Enthusiastic

Reliable

Outstanding

Effective

Special

### **Our partners**

The past year has been very challenging for fundraising. Emergency Covid grants were no longer available and our partners continued to struggle with the economic conditions, remaining Covid restrictions and staff working from home. We also had to contend with fundraising events being cancelled for much of the year. In this environment, we are extremely grateful to our partners for their continued support whilst facing challenges themselves, including trusts, companies, faith groups and local community groups. These partnerships with the local communities of East London are at the heart of our fundraising.

We are once again very grateful for the support of West Ham Football Club.

### **Our supporters**

Over the past year we have received support from all parts of the community, and our thanks go out to everyone who has helped either financially or in other ways. We would particularly like to thank the Muslim community of East London, who have supported us through collections, donations and volunteer support during this challenging time.

## Our Services

When a child is living with a life-limiting or life-threatening health condition, every member of their family is impacted physically, spiritually and emotionally. We provide holistic residential and therapeutic services for the whole family.

- Clinical care for children and young people with complex health care needs.
- Step down care – smoothing the transition from hospital to home.
- Short stays – providing respite and giving children and young people opportunities to enjoy social interaction.
- Hospice at Home – to provide health respite, step-down or end of life care to a child at home.
- Oncology services – providing support for children and young people with cancer and their families.
- Symptom management – ensuring pain and symptoms are minimised.
- End of life care – providing end of life care at the place of choice by families.
  
- Trips and family days – enabling children, young people and their families to enjoy activities they couldn't do otherwise.
- Group sessions – providing a supportive environment to meet with others in similar situations.
- Music therapy – an established psychological clinical intervention through music to support our children and young people with their psychological, emotional, cognitive, physical, communicative and social needs.
- Counselling – available to children and young people, their parents and siblings.
- Transition service – providing young people and their family with information, advice and support when transitioning to adult services.
- Bereavement support – from our qualified practitioners, for the family during a child's illness and following the child's death.

## Objectives and Activities

The core purpose of Richard House is to accompany families with children and young people with life-limiting, life-threatening and complex healthcare conditions during the child or young person's journey through life and through death, creating positive experiences along the way, which become good memories for the future.

This core purpose statement underpins our strategy. It reflects our objectives as set out in the Memorandum and Articles of Association which are to provide outreach, respite and hospice care for children and young people with palliative care needs in the London Boroughs of Tower Hamlets, Newham, City of London, Hackney, Barking and Dagenham, Waltham Forest, Redbridge, Islington, Camden, Barnet, Haringey and Enfield, or extended as the Board of Trustee Directors decides.

As a children's hospice we provide a range of services on a residential, at the child's home, or day care basis. This support is offered in the unique way that a children's hospice operates, which is "home from home", and in full accordance with the aspirations of Together for Short Lives, the UK voice for children and young people, who are expected to have a reduced life expectancy, and their families. We seek to offer social and emotional support; a sense of community; a share in the care of a very sick child or young person, expert respite, palliative and end of life care; and bereavement support for the family from the point of referral and for as long as needed.

Our objectives for 2021/22

The priorities for the year, based on the strategic plan agreed for the organisation, as amended for the Covid pandemic, were:

- 1 To minimise, as far as possible the risks of COVID infection within the hospice and to ensure the safety of our children, their families and our team.
- 2 To maintain our residential and Hospice at Home services as long as circumstances allow.
- 3 To work with the NHS to support their efforts including making available beds to free space in Hospitals.
- 4 To maintain and expand our fundraising activities to ensure that as far as possible income lost from cancelled events and other activities is made up from other sources.
- 5 To support national and local efforts to secure emergency Government funding.
- 6 To ensure our retail shops are COVID secure and are kept open as much as national regulations allow.

## How Did We Do?

Total income for the group in the reporting year was £3,853,576 compared to the prior year figure of £4,743,208. The reduced income is attributable to a decrease in general fundraising income to £1,443,347 (2021: £2,170,372). Statutory income also decreased by £349,673 to £1,842,959 (2021: £2,192,632) and investments and interest income were £1,805 (2021: £14,904). Income from Trading activities was £565,465, an increase of £200,165 compared to £365,300 in the previous year.

The charitable expenditure increased in the year by £164,539 to £2,968,111 (2021: £2,803,572) and the expenditure on raising funds also increased by £152,496 resulting in total expenditure increase of £317,035 to £4,309,236 (2021: £3,992,201).

We achieved the following key priorities:

- 1 We successfully minimised the risks of Covid infection within the Hospice. No cases were identified where the source of Covid infection for one of our children, their family members or our team was Richard House. This outcome was achieved through a rigorous testing regime, limiting access to the Hospice, high hygiene standards and use of personal protection equipment.
- 2 We successfully maintained our residential and Hospice at Home services throughout the year despite at times significant numbers of our team being absent due to covid or the need to self-isolate. The number of families benefitting from our Hospice at Home services increased in the period reflecting a preference for this type of support over residential stays.
- 3 We continued to support the NHS by having children staying with us who historically would have more likely to have been looked after in a hospital. These children appeared to benefit from the more personal care they received at Richard House and we expect that we will continue to admit such children, capacity permitting, in the future.
- 4 Unfortunately ongoing Government restrictions continued to limit our fundraising activities and those of our supporters and we were therefore unable to expand these as planned. Trusts and other bodies which had provided funding in the previous financial year were unable in many cases to maintain that support and as a consequence we were unable to make up the shortfall.
- 5 We continued to support our national bodies, Hospice UK and Together for Short Lives, in seeking Government funding although the levels of funding made available by the Government in the financial year were significantly below the level of 2020/21.
- 6 Our retail shops were opened as soon as possible after the end of the first lockdown. They were then closed and reopened during the rest of the year in accordance with Government rules. Steps were taken when the shops were first reopened to ensure that as far as possible that our staff were physically protected and that social distancing maintained.

## Financial Review

### Principal risks and uncertainties

The key risks we face include: raising sufficient donations and legacies income to fund our expenditure commitments; limited cash reserves; recruiting and retaining children's nurses required to deliver the support to children, young people, and their families; maintaining high standards of care including the regulatory risks in complying with the requirements of CQC and uncertainty over future levels of statutory income.

Risks and mitigation thereof are reviewed monthly at senior leadership meetings and at Trustee Directors' meetings. We undertake regular performance appraisals to keep the quality of our work high.

### Income

The financial statements show that income reduced to £3,853,576 (2021: £4,743,208). Fundraising income (donations and legacies income and income from fundraising and events) decreased to £1,443,347 (2021: £2,170,372). The reduction is partly attributable to the fact that the charity did not hold a Richard House Ball event in the year; the last event generated £326,408 in 2020. Statutory income reduced to £1,842,959 (2021: £2,192,632). The 2021 figure included government grants of £689,277 from NHS England (NHSE) compared to only £107,798 received in the year to March 2022. NHSE awarded funding to allow the hospice make available bed capacity and community support to provide support to children with complex needs in the context of COVID -19 situation.

### Expenditure

The in-year expenditure increased by £317,035 to £4,309,236 (2021: £3,992,201). The increase is split between the charitable expenditure which, increased in the year by £164,539 to £2,968,111 (2021: £2,803,572) due to increased activity levels in care services during the year. Expenditure on raising funds made up of fundraising and publicity and trading costs also increased by £152,496 due to more fundraising activities carried out in the year after the restrictions from the pandemic resulting in the net cost of £1,341,125 (2021: £1,188,629).

### Net operating result

The overall result for the year was a net deficit of £455,660 (2021: net income of £751,007). At 31 March 2022, Richard House Trading Company Limited made a profit for the financial year of £68,574 (2021: £132,841 loss).

### Investment policy

Surplus funds are kept on deposit to earn interest, so that they are readily available to meet our costs when required. This policy is reviewed periodically by the Board of Trustee Directors.

### Cash flow

The cash outflow from operating activities was £398,606 (2021: inflow £1,033,074) resulting in net cash outflow after investing activities of £403,437 (2021: inflow of £998,255).

### Reserves policy

Unrestricted funds of the charity at the year-end amounted to £5,283,833 (2021: £5,935,062) of which £841,190 (2021: £1,348,742) were free funds.

The Board of Trustee Directors aspires to retain free funds equivalent to a minimum of six months' operating costs of £1.8 million, based upon the costs for the year ended 31 March 2022. The Board is working to restore free funds above the target level as soon as practicable over the next five years. This will ensure that there is very little risk of unplanned closure that might otherwise have a very serious impact on our vulnerable beneficiaries. The Finance and Fundraising Committee continues to review our reserves policy to reflect any changes that may be necessary.

### **Plans for the future**

Our key priorities for 2022/2023 are as follows:

- As far as Government regulations and infection control requirements allow, to fully reopen the Hospice and to restart those activities that had to be put on hold during the pandemic.
- To grow and strengthen our care management team and recruit additional care team staff thereby increasing our resilience to staff absences and enhancing the quality of care we can provide.
- To review our care governance processes to ensure that they are “best in class”.
- To continue to make available beds to free space in Hospitals and to look after children, with a life limiting condition, in Hospital who would benefit from the more personal care at Richard House.
- To increase our fundraising income by restarting those activities stopped by Covid restrictions, undertaking additional activities to take advantage of covid restrictions being relaxed, and re-establishing relationships with key supporters and contacts.
- To commence a refurbishment programme for our retail stores.
- To conduct a full strategic review now the outlook for the future is clearer.

The Board of Trustee Directors would like to thank all staff and volunteers for the immense efforts they have made over the last year.

## Statement of Trustees' Responsibilities

The trustees (who are also directors of Richard House Trust for the purposes of company law) are responsible for preparing the Trustee Directors' 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 which give a true and fair view of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure of the charitable group 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 Statement of Recommended Practice;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards including FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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 the group 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.

### Auditors

The auditors, Moore Kingston Smith LLP, will be proposed for re-appointment in accordance with the Companies Act 2006.

### Declaration

The Trustee Directors declare that they have approved the Trustee Directors' Annual Report above.

Signed on behalf of the charity's Trustee Directors on 21 December 2022



Derek Lovelock, Trustee Director





## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS AND TRUSTEES OF RICHARD HOUSE TRUST**

### **Opinion**

We have audited the financial statements of Richard House Trust (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 the Group Summary Income and Expenditure Account, the Group and Parent Charitable Company Balance Sheets, the Group Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

- the information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' annual 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 group and parent charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's 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; or

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 12, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the group 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 as 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the group and parent charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group and parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or parent charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit report.

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

**Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

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

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and, in respect of the consolidated financial statements, to the charity's trustees, as a body, in accordance with Chapter 3 of Part 8 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charitable company's members and trustees those matters which 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 any party other than the charitable company, the charitable company's members, as a body, and the charity's trustees, as a body, for our audit work, for this report, or for the opinion we have formed.

*Moore Kingston Smith LLP*

Neil Finlayson (Senior Statutory Auditor)  
for and on behalf of Moore Kingston Smith LLP, Statutory Auditor

21 December 2022

6<sup>th</sup> Floor  
9 Appold Street  
London  
EC2A 2AP

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

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

	Notes	Unrestricted Funds £	Restricted Funds £	Total 2022 £	Total 2021 £
<b>Income</b>					
<b>Incoming resources' from fundraising</b>					
Donations and legacies	2	1,067,465	293,865	1,361,330	2,152,838
Other trading activities:					
Fundraising and events	2	77,517	4,500	82,017	17,534
Income from trading company	3	565,465	-	565,465	365,300
Income from investment and interest		1,805	-	1,805	14,904
<b>Income from Charitable activities</b>					
Statutory and grant funding for hospice care	4	1,343,575	499,384	1,842,959	2,192,632
<b>Total income</b>		<b>3,055,827</b>	<b>797,749</b>	<b>3,853,576</b>	<b>4,743,208</b>
<b>Expenditure</b>					
<b>Expenditure on Raising funds</b>					
Fundraising and publicity	5	844,234	-	844,234	690,488
Expenses of trading company	3	496,891	-	496,891	498,141
		1,341,125	-	1,341,125	1,188,629
<b>Expenditure on Charitable activities</b>					
	5	2,297,357	670,754	2,968,111	2,803,572
<b>Total expenditure</b>	5	3,638,482	670,754	4,309,236	3,992,201
<b>Net income/(expenditure)</b>		<b>( 582,655)</b>	<b>126,995</b>	<b>( 455,660)</b>	<b>751,007</b>
Fund balances brought forward at 1 April 2021		5,806,603	30,059	5,836,662	5,085,655
Fund balances brought forward at 1 April 2022		5,223,948	157,054	5,381,002	5,836,662
		Note 19	Note 20		

The retained deficit attributable to the parent company was £524,234 (2021: net income £883,848). The company has taken the exemption under Section 408 of the Companies Act 2006 not to publish its own Statement of Financial Activities

### Continuing operations

None of the company's activities were acquired or discontinued during the year.

## Richard House Trust Group and Charity Balance Sheet at 31 March 2022

		Group		Company	
	Notes	2022 £	2021 £	2022 £	2021 £
<b>Fixed Assets</b>					
Intangible assets	8	-	267	-	267
Tangible assets	9	4,233,915	4,386,575	4,227,505	4,370,914
Investments	10	-	-	4	4
		<u>4,233,915</u>	<u>4,386,842</u>	<u>4,227,509</u>	<u>4,371,185</u>
<b>Current Assets</b>					
Debtors falling due within one year	11	502,972	333,354	459,270	426,522
Cash at bank and in hand		<u>1,353,747</u>	<u>1,757,184</u>	<u>1,294,491</u>	<u>1,680,941</u>
		1,856,719	2,090,538	1,753,761	2,107,463
<b>Creditors: Amounts falling due within one year</b>	12	<u>( 709,632)</u>	<u>( 635,326)</u>	<u>( 540,383)</u>	<u>( 513,527)</u>
Net current assets		<u>1,147,087</u>	<u>1,455,212</u>	<u>1,213,378</u>	<u>1,593,936</u>
<b>Creditors: Amounts falling due within more than one year</b>	14	-	-	-	-
<b>Provisions</b>	15	-	( 5,392)	-	-
<b>Net assets</b>		<u>5,381,002</u>	<u>5,836,662</u>	<u>5,440,887</u>	<u>5,965,121</u>
<b>Represented by:</b>					
Unrestricted funds					
Charity funds	19, 21	5,283,833	5,935,062	5,283,833	5,935,062
Trading subsidiary funds	19, 21	<u>( 59,885)</u>	<u>( 128,459)</u>	<u>-</u>	<u>-</u>
		5,223,948	5,806,603	5,283,833	5,935,062
Restricted funds	20, 21	<u>157,054</u>	<u>30,059</u>	<u>157,054</u>	<u>30,059</u>
		<u>5,381,002</u>	<u>5,836,662</u>	<u>5,440,887</u>	<u>5,965,121</u>

Approved and authorised for issue by the Board of Trustee Directors on 21 December 2022  
and signed on its behalf by:



Derek Lovelock, Trustee Director  
Company number: 3232837



**Richard House Trust Consolidated Cashflow Statement for year ended  
31 March 2022**

	Notes	2022 £	2021 £
<b>Net cash (outflow) /inflow from operating activities</b>	(a)	( 398,606)	1,033,074
Investing activities			
Purchase of intangible fixed assets		-	-
Purchase of tangible fixed assets		( 6,636)	( 49,723)
Investment income and interest		1,805	14,904
<b>Net cash used in investing activities</b>		( 4,831)	( 34,819)
<b>Net (decrease) /increase in cash and cash equivalents</b>		( 403,437)	998,255
Cash and cash equivalents at beginning of year		1,757,184	758,929
<b>Cash and cash equivalents at end of year</b>		<u>1,353,747</u>	<u>1,757,184</u>

**Notes to the cash flow statement**

**(a) Net cash (inflow) /outflow from operating activities**

Net (outgoing) incoming / resources for the year	( 455,660)	751,007
Depreciation	159,296	167,852
Amortisation	267	400
Investment income and interest	( 1,805)	( 14,904)
Decrease in stocks	-	-
Decrease in debtors	( 169,618)	112,214
Increase in creditors/provisions	68,914	16,505
<b>Net cash (outflow)/inflow from operating activities</b>	<u>( 398,606)</u>	<u>1,033,074</u>

## **Richard House Trust Notes to the Financial Statements for year ended 31 March 2022**

### **1. Accounting Policies**

Richard House Trust is a charity incorporated in England and Wales.

#### **Basis of accounting**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (FRS 102) and the requirements of the Companies Act 2006.

The Charitable Company and its subsidiaries constitute a public benefit group as defined by FRS 102 and therefore the Charity also prepared its financial statements in accordance with the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (The FRS 102 Charities SORP), the Companies Act 2006 and the Charities Act 2011.

These accounts have been prepared on the going concern basis, under the historical cost convention. The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

#### **Consolidation**

The group financial statements consolidate the financial statements of the company and its two wholly owned subsidiary undertakings, Richard House Developments Limited and Richard House Trading Company Limited, for the year ended 31 March 2022.

In accordance with Section 408 of the Companies Act 2006, no separate statement of financial activities is presented for the charity. The net outgoing resources attributable to Richard House Trust were £524,234 (2021: net income £883,848).

#### **Income**

This represents income from grants, donations, fundraising events, merchandising sales, statutory funding, and interest.

There are two types of income: unrestricted and restricted. Unrestricted funds are funds that can be spent at the discretion of the Trustee Directors on the charity's objects. Designated funds are unrestricted funds which have been set aside by Trustees Directors for specific purposes. Restricted funds are funds provided by external sources for specific projects and may only be applied towards those specific projects.

All incoming resources are included in the Statement of Financial Activities when the Charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

For donations to be recognised, the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained, then the 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.

No amount is included in the financial statements for volunteer time in line with the SORP (FRS 102).

Further detail on their contribution is given in the Trustees' Report

## **Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)**

### **1. Accounting Policies (continued)**

For legacies, entitlement arises when the Charity is aware that probate has been granted. Receipt is normally when the executors have established that there are sufficient assets in the estate. Where legacies have been notified to the Charity, or the Charity is aware of the granting of probate, and the criteria for income recognition has not been met, then the legacy is treated as a contingent asset and disclosed if material.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supply of goods and services to raise funds and is recognised when entitlement has occurred.

#### **Expenditure**

This represents the expenditure on raising funds and charitable expenditure. Expenditure on raising funds includes fund raising and publicity costs and the expenses of the trading company. Charitable expenditure is the cost of activities in furtherance of the charity's objects.

Expenditure is classified by the category of activity for which it is used rather than by type of expense. Allocation is on an actual basis, or where this is not possible, on an estimated usage basis.

- Expenditure on raising funds are those costs incurred in attracting donations and legacies income, and those incurred in trading activities that raise funds.
- Charitable activities include expenditure associated with the provision of hospice and related care and include both the direct costs and support costs relating to these activities.
- Support costs include central costs and have been allocated to cost categories on the basis of staff time spent in each area.
- Governance costs (included as part of support costs) include those incurred in the governance and strategic management of the organisation including costs associated with meeting constitutional and statutory requirements.

Liabilities are recognised as soon as there is a legal or constructive obligation committing the charity to the expenditure.

#### **Tangible Fixed Assets**

Expenditure on tangible fixed assets over £1,000 is capitalised and depreciation is provided at the following annual rates to write off the cost of each asset over its estimated useful life:

Fixtures and fittings	20% straight line
Office equipment	15% straight line
Motor vehicles	25% straight line
Computer equipment	33% straight line
Freehold buildings	2% straight line

#### **Intangible Fixed Assets**

Expenditure on intangible fixed assets over £1,000 is capitalised and depreciation is provided at the following annual rates to write off the cost of each asset over its estimated useful life:

Web site	33% straight line
Computer software	33% straight line

## **Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)**

### **1. Accounting Policies (continued)**

#### **Stock**

Stock is valued at the lower of cost or net realisable value after making due allowance for any obsolete or slow-moving stock.

#### **Donated goods for resale or distribution**

The company receives donated goods for resale in the charity shops of the subsidiary company. As per the advice of The Accounting Council, donated goods are not recognised as income on receipt as the value cannot be measured reliably and the benefit of recognising the item does not outweigh the costs.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less.

#### **Provision for accrued holiday pay**

The company has made a provision for unused holiday pay accrued at year end. As the total amount accrued was immaterial, the adjustment was made within the reporting period.

#### **Provision for bad debt**

The company has made a provision for bad debts based on those debtors which are unpaid at the time the accounts were approved and due to the time may not be recovered in full.

#### **Taxation**

The company is a registered charity and did not receive taxable income in the year.

#### **Remuneration**

The company has a Remuneration policy which includes remuneration for key management personnel. The company undertakes benchmarking regularly when setting remuneration and determining salary changes.

#### **Operating leases**

Rentals charged under operating leases, including any lease incentives received, are charged on a straight-line basis over the term of the leases.

#### **Pension costs**

Pension contributions are charged to the statement of financial activities on an accrual basis,

#### **Financial instruments**

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

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Basic financial assets, which include trade and other debtors and cash and bank balances, are initially

measured at transaction price including transaction costs and are subsequently carried at amortised cost

## **Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)**

### **1. Accounting Policies (continued)**

using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

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

Basic financial liabilities, including trade and other creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

### **Going concern**

The trustees have assessed whether the use of the going concern basis is appropriate and have considered possible events or conditions that might cast significant doubt on the ability of the charity to continue as a going concern. The trustees have made this assessment for a period of at least one year from the date of approval of the financial statements and have considered the potential impact of the Covid-19 pandemic. In particular the trustees have taken account of pressures on statutory income, donation income, fundraising events, and trading income, as well as expenditure. The trustees have considered various scenarios and the mitigating action available to them should income fall significantly. Based on this and the significant unrestricted reserves available the trustees have concluded that there is a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. The charity therefore continues to adopt the going concern basis in preparing its financial statements.

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 2. Donations and Legacies

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Community	184,483	117,521
Trusts and Foundations	283,122	999,082
Individuals	200,673	158,523
High Value	181,944	134,231
Corporate	331,233	479,315
Legacies	129,905	219,235
Gift Aid	49,970	44,931
	<b><u>1,361,330</u></b>	<b><u>2,152,838</u></b>

### Fundraising and events

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fundraising and events	82,017	17,534

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 3 . Investments in Subsidiaries

	2022 £	2021 £
<i>Richards House Trading Company Limited</i>	565,465	365,300
Income	<u>37,528</u>	<u>27,725</u>
Intercompany income eliminated on consolidation		
Consolidated income	602,993	393,025
Cost of sales	( 20,353)	( 16,038)
Administration expenses	( 476,538)	( 482,103)
Intercompany expenses eliminated on consolidation	<u>-</u>	<u>-</u>
	<b>( 496,891)</b>	<b>( 498,141)</b>
Net consolidated income before donation and taxation	106,102	( 105,116)
Net intercompany income	<u>( 37,528)</u>	<u>( 27,725)</u>
Operating (loss)/profit before donation to parent company	68,574	( 132,841)
Donation to parent company	<u>-</u>	<u>-</u>
(Loss)/Profit on ordinary activities before taxation	68,574	( 132,841)
Taxation	<u>-</u>	<u>-</u>
Profit/(Loss) on ordinary activities before taxation	68,574	( 132,841)
Dividends	<u>-</u>	<u>-</u>
Retained profit/(loss) for the financial year	68,574	( 132,841)
Retained profit brought forward	( 128,457)	4,384
Charitable distribution from parent undertaking		
Retained profit carried forward	<u>( 59,883)</u>	<u>( 128,457)</u>

At the end of the year, the company had aggregate assets of £123,063 (2021: £157,221), liabilities of £182,946 (2021: £285,678) and net shareholder's deficit of £59,883 (2021: £128,457).

#### Richard House Developments Limited

The company has not traded during the year or the preceding financial year. During these years the company received no income and incurred no expenditure and therefore made neither profit nor loss. At the end of the year, the company had aggregate assets of £2 (2021: £2) and net shareholder's funds of £2 (2021: £2).

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 4. Statutory and Grant Funding for Hospice care

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Income from core NHS contracts	504,772	500,116
Other NHS and local authority income	838,803	623,056
Department of Health grants	391,586	380,183
COVID Grants	107,798	689,277
	<u>1,842,959</u>	<u>2,192,632</u>

### 5. Expenditure

#### Analysis of total expenditure

	<b>Staff costs</b>	<b>Other direct costs</b>	<b>Support costs</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fundraising and publicity	575,856	116,771	151,607	844,234
Trading company expenses	265,086	231,806	-	496,892
Hospice care	1,784,357	763,333	386,316	2,934,006
Governance	20,126	13,325	653	34,104
Total expenditure	<u>2,645,425</u>	<u>1,125,235</u>	<u>538,576</u>	<u>4,309,236</u>

#### Analysis of support costs

	<b>Staff costs</b>	<b>Other direct costs</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Fundraising and publicity	129,727	21,880	151,607
Hospice care	302,250	84,066	386,316
Governance	-	653	653
Total support costs	<u>431,977</u>	<u>106,599</u>	<u>538,576</u>

Expenditure on Charitable activities includes the expenditure on Hospice care and Governance.



## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 5. Expenditure (continued)

#### Analysis of total expenditure

	Staff costs £	Other direct costs £	Support costs £	Total 2021 £
Fundraising and publicity	423,977	119,086	147,425	690,488
Trading company expenses	262,307	235,834	-	498,141
Hospice care	1,685,081	713,504	368,554	2,767,139
Governance	19,549	16,385	499	36,433
Total expenditure	<u>2,390,914</u>	<u>1,084,809</u>	<u>516,478</u>	<u>3,992,201</u>

#### Analysis of support costs

	Staff costs £	Other direct costs £	Total 2021 £
Fundraising and publicity	128,289	19,136	147,425
Hospice care	298,907	69,647	368,554
Governance	-	499	499
Total support costs	<u>427,196</u>	<u>89,282</u>	<u>516,478</u>

Expenditure on Charitable activities includes the expenditure on Hospice care and Governance.

#### Analysis of governance costs

	2022 £	2021 £
Staff costs	20,126	19,549
Audit fees	13,325	16,385
Support costs	<u>653</u>	<u>499</u>
	<u>34,104</u>	<u>36,433</u>

Support costs are included in the above analysis of total resources expended and have been allocated across activities on the basis of staff time spent in each area. These costs include providing IT, payroll, personnel, finance, property and other central services to the charity's staff and volunteers.

Governance costs have been funded entirely by unrestricted funds.

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 6. Staff Costs

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	2,673,282	2,460,112
Social security costs	252,265	231,686
Other pension costs	151,856	126,310
	<u>3,077,403</u>	<u>2,818,108</u>

  

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Average number of employees full time equivalent:		
Charitable work	41	36
Fundraising	12	10
Trading	13	11
Administration	12	11
	<u>78</u>	<u>68</u>

The number of employees receiving remuneration in excess of £60,000 increased within the following bands:

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
£60,000 - £70,000	-	1
£70,001 - £80,000	1	2
£80,001 - £90,000	<u>1</u>	<u>1</u>

Total pension contributions for the highest paid employee excluding the Chief Executive who is not on the pension scheme during the year were £5,320 (2021: £5,320).

The remuneration of key management personnel, who included the Chief Executive, Director of Finance and Operations, Director of Family and Care Services, Head of Fundraising and Head of HR and Volunteer Engagement, was as follows:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Aggregate emoluments	356,731	382,365
Company pension contributions	15,464	17,197
	<u>372,195</u>	<u>399,562</u>

The number of key management personnel for whom retirement benefits are accruing under defined contribution schemes amounted to NIL (2021: NIL).

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 7. Net (expenditure)/income

		2022 £	2021 £
This is stated after charging:			
Auditor's remuneration:			
Company	- current year audit fee excluding VAT	13,500	12,400
Subsidiary companies	- current year audit fee	8,000	2,300
	- current year non-audit	550	550
Depreciation		159,296	167,852
Amortisation		267	400

### 8. Intangible Fixed Assets

Group and Company	Software £	Website £	Total £
<b>Cost</b>			
At 1 April 2021	7,768	15,942	23,710
Additions	-	-	-
At 31 March 2022	7,768	15,942	23,710
<b>Accumulated Amortisation</b>			
At 1 April 2021	7,768	15,675	23,443
Charge for the year	-	267	267
At 31 March 2022	7,768	15,942	23,710
<b>Net Book Value</b>			
At 31 March 2022	-	-	-
At 31 March 2021	-	267	267

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 9 . Tangible Fixed Assets

Group	Freehold Land £	Buildings £	Fixtures & Fittings £	Computer Equipment £	Motor Vehicle £	Total £
<b>Cost</b>						
At 1 April 2021	270,704	5,704,460	512,521	121,502	39,489	6,648,676
Additions	-	-	6,636	-	-	6,636
Disposals	-	-	-	-	(11,588)	(11,588)
At 31 March 2022	270,704	5,704,460	519,157	121,502	27,901	6,643,724
<b>Accumulated Depreciation</b>						
At 1 April 2021	-	1,693,086	442,858	88,064	38,093	2,262,101
Charge for the year	-	114,089	25,656	18,155	1,396	159,296
Released on disposal	-	-	-	-	(11,588)	(11,588)
At 31 March 2022	-	1,807,175	468,514	106,219	27,901	2,409,809
<b>Net Book Value</b>						
At 31 March 2022	270,704	3,897,285	50,643	15,283	-	4,233,915
At 31 March 2021	270,704	4,011,374	69,663	33,438	1,396	4,386,575

  

Company	Freehold Land £	Buildings £	Fixtures & Fittings £	Computer Equipment £	Motor Vehicle £	Total £
<b>Cost</b>						
At 1 April 2021	270,704	5,704,460	346,846	100,523	11,588	6,434,121
Additions	-	-	5,076	-	-	5,076
Disposals	-	-	-	-	(11,588)	(11,588)
At 31 March 2022	270,704	5,704,460	351,922	100,523	-	6,427,609
<b>Accumulated Depreciation</b>						
At 1 April 2021	-	1,693,086	279,793	78,740	11,588	2,063,207
Charge for the year	-	114,089	23,234	11,162	-	148,485
Released on disposal	-	-	-	-	(11,588)	(11,588)
At 31 March 2022	-	1,807,175	303,027	89,902	-	2,200,104
<b>Net Book Value</b>						
At 31 March 2022	270,704	3,897,285	48,895	10,621	-	4,227,505
At 31 March 2021	270,704	4,011,374	67,053	21,783	-	4,370,914

A substantial contribution towards the cost of the buildings was received from the National Lottery Charities Board and as such the buildings may not be sold without their consent until 2084.

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 10. Fixed Asset Investments - Group Undertakings

The company's investments at the balance sheet date in the share capital of companies include the following:

Shares in group undertakings	Nature of business	Class of share	Percentage holding	2022 £	2021 £
Richard House Developments Limited	Property development	Ordinary	100%	2	2
Richard House Trading Company Limited	Retail	Ordinary	100%	2	2

### 11. Debtors

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Trade debtors	239,681	98,036	239,681	98,036
Bad debt provision	8,786	-	8,786	-
Amount owed from subsidiary undertaking	-	-	13,697	158,486
Other debtors	10,681	14,248	10,676	14,246
Prepayments	118,291	117,681	71,271	79,118
Accrued income	125,533	103,389	115,159	76,636
	<u>502,972</u>	<u>333,354</u>	<u>459,270</u>	<u>426,522</u>

### 12. Creditors: Amounts falling due within one year

	Group		Company	
	2022 £	2021 £	2022 £	2021 £
Trade creditors	87,009	72,815	70,081	66,988
Taxation and social security	63,038	74,151	63,038	74,151
Amount owed to subsidiary undertaking	-	-	-	-
Other creditors	276,257	275,556	276,257	275,556
Finance lease liability	-	1,395	-	-
Accruals	283,328	211,409	131,007	96,832
Deferred income	-	-	-	-
	<u>709,632</u>	<u>635,326</u>	<u>540,383</u>	<u>513,527</u>

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 13. Deferred income

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
At beginning of the year	-	13,004	-	13,004
Released during the year	-	( 13,004)	-	( 13,004)
Additions during the year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Deferred income comprises income relating to April; all amounts relate to the next accounting period.

### 14. Provisions

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Deferred tax liabilities	-	5,392	-	-
	<u>-</u>	<u>5,392</u>	<u>-</u>	<u>-</u>

### 15. Share Capital

The company does not have share capital. However, every member of the company undertakes to contribute to the assets of the company such amount as may be required, not exceeding £1. There were 9 (2021 - 11) members at the balance sheet date.

#### **16. Pension Commitments**

The company is an approved organisation, for the purpose of the National Health Service (Superannuation) Regulations 1980, making contributions to the National Health Service Pension Scheme. The Scheme is regarded as a statutory scheme by the Inland Revenue and is covered by section 22 of chapter 3 of the 1970 Finance Act. The contributions of the employer are 20.68% (the employer pays 14.38% under the transitional arrangement and the NHS paid 6.30% until March 2022) and the contributions of the employee range from 7.1% to 13.5%. As a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer which meets the cost of the scheme benefits. The Exchequer also pays for the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members and employees. Contributions of £34,883 (2021: £28,604) were charged in the financial statements.

Contributions are also made to another independent money purchase pension scheme of which a certain number of the company's staff are members. It is funded by assets held outside Richard House Trust. Contributions of £116,973 (2021: £104,724) were charged in the financial statements. The company has an auto-enrolment process in place for the money purchase pension scheme in compliance with the changes to pension regulations.

At 31 March 2022 contributions amounting to £6,145 (2021: £2,958) were payable to National Health Service Pension Scheme and £14,822 (2021: £15,114) were payable to the independent money purchase pension scheme and both are included in creditors.

### **Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)**

#### **17. Contingent Liabilities**

Richard House Trust acts as a guarantor on a lease held by Richard House Trading Company Limited and as such covenants to pay rents in the event of Richard House Trading Company Limited failing to comply with the terms of the lease. The annual rent is £36,500 for the remainder of the lease for the term of 15 years commencing 22 June 2022.

**18. Analysis of Unrestricted Funds**

	Balance at 1 April 2021 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance at 31 March 2022 £
Designated funds					
Fixed asset fund	4,371,181	-	-	( 143,676)	4,227,505
Replacement and maintenance fund	215,138	-	-	-	215,138
	4,586,319	-	-	( 143,676)	4,442,643
Free funds	1,348,742	2,490,363	( 3,141,591)	143,676	841,190
Unrestricted funds of the charity	5,935,062	2,490,363	( 3,141,591)	-	5,283,833
Trading subsidiary funds	( 128,459)	565,465	( 496,891)	-	( 59,885)
	5,806,603	3,055,828	( 3,638,482)	-	5,223,948

	Balance at 1 April 2020 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance at 31 March 2021 £
Designated funds					
Fixed asset fund	4,472,976	-	-	( 101,794)	4,371,182
Replacement and maintenance fund	215,138	-	-	-	215,138
	4,688,114	-	-	( 101,794)	4,586,320
Free funds	337,721	3,078,056	( 2,168,829)	101,794	1,348,742
Unrestricted funds of the charity	5,025,835	3,078,056	( 2,168,829)	-	5,935,062
Trading subsidiary funds	4,382	365,300	( 498,141)	-	( 128,459)
	5,030,217	3,443,356	( 2,666,970)	-	5,806,603

The fixed asset fund represents funds that the trustees have agreed to set aside as designated funds and corresponds to the net book value of tangible fixed assets not represented by restricted funds. The replacement and maintenance fund represents funds set aside as designated funds to ensure that fixtures, fittings and computer equipment are fully operational at all times. Amounts are transferred to and from the general fund to maintain the designated funds at the appropriate levels. These funds typically represent between 4-5% of the fixed asset value.

The trading subsidiary funds represents the retained profit held by Richard House Trading Company Limited

It is anticipated that these funds will not be used in the next three years as the care area of the hospice has recently been refurbished. The replacement and maintenance fund is expected to be spent within five years.

**Richard House Trust Notes to the Financial Statements for year ended  
31 March 2022 (continued)**



## Richard House Trust Financial Statements for the year ended 31 March 2022

### 19. Analysis of Restricted Funds

	Balance at 1 April 2021 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance at 31 March 2022 £
Department of Health Section 64 Grant	-	391,586	( 391,586)	-	-
COVID -19 Grants		107,798	( 107,798)	-	-
Respite Care Fund	-	118,220	( 114,720)	-	3,500
Transition Fund	-	20,029	( 10,650)	-	9,379
Care Equipment	17,559	67,683	( 13,342)	-	71,900
Sixth Bedroom	12,500	-	-	-	12,500
Playground Regeneration		38,747	-	-	38,747
Other funds	-	53,686	( 32,658)	-	21,028
	30,059	797,749	( 670,754)	-	157,054

  

	Balance at 1 April 2020 £	Incoming Resources £	Resources Expended £	Transfer between Funds £	Balance at 31 March 2021 £
Department of Health Section 64 Grant	-	380,183	( 380,183)	-	-
COVID -19 Grants		689,276	( 689,276)	-	-
Respite Care Fund	30,999	121,287	( 152,286)		-
Transition Fund	3,860	2,500	( 6,360)		-
Care Equipment	-	17,559	-	-	17,559
Sixth Bedroom		12,500	-	-	12,500
Other funds	20,579	76,546	( 97,125)	-	-
	55,438	1,299,851	( 1,325,230)	-	30,059

The Department of Health Section 64 Grant consists of funds awarded to maintain existing levels of in house care and to open additional beds during periods of expressed demand.

The Department of Health Grants consists of funds awarded from the £30 million funding for children's palliative care in 2010/11 for a pilot rapid response home care/end of life service for children, young people and their families. The expenditure was deferred while the hospice refurbishment was undertaken and resumed when residential care services returned to the Beckton Site.

\* The Respite Care Fund consists of funds raised to provide respite and other care for children, particularly focussed on staffing of nurses

\* The Transition Fund consists of funds raised to support our transitional care service for young adults.

\* Sensory Garden Fund consists of funds raised for transforming our award winning garden. The work was mostly donated professional services from Greenfingers charity.

\* Care database consists of funds raised moving clinical data & operations to a new more secure database to eliminate unnecessary paperwork, and enable efficient and smart working.

\* Other Funds consists of funds raised for transport and Music Therapy, events for children, management and administration

\*The NHSE awarded funding towards the hospice providing patient care to support the NHS COVID-19 response.

## Richard House Trust Notes to the Financial Statements for year ended

## 31 March 2022 (continued)

### 20. Analysis of Net Assets by Fund

	<b>Tangible Fixed Assets £</b>	<b>Net Current Assets/ Liabilities £</b>	<b>Long term Liabilities and provisions £</b>	<b>Total 2022 £</b>
Designated funds	4,227,505	215,138	-	4,442,643
Free Funds	-	841,190	-	841,190
	<u>4,227,505</u>	<u>1,056,328</u>	<u>-</u>	<u>5,283,833</u>
Trading subsidiary funds	6,409	( 66,294)	-	( 59,885)
Restricted funds	-	157,054	-	157,054
	<u>4,233,914</u>	<u>1,147,088</u>	<u>-</u>	<u>5,381,002</u>

	<b>Tangible Fixed Assets £</b>	<b>Net Current Assets/ Liabilities £</b>	<b>Long term Liabilities and provisions £</b>	<b>Restated Total 2021 £</b>
Designated funds	4,371,181	215,138	-	4,586,320
Free Funds	-	1,348,742	-	1,348,742
	<u>4,371,181</u>	<u>1,563,880</u>	<u>-</u>	<u>5,935,062</u>
Trading subsidiary funds	15,662	( 138,725)	( 5,396)	( 128,459)
Restricted funds	-	30,059	-	30,059
	<u>4,386,843</u>	<u>1,455,214</u>	<u>( 5,396)</u>	<u>5,836,662</u>

## Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)

### 21. Financial Commitments

At 31 March 2022, the group has commitments under non-cancellable leases as follows:

	Land and Buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Within one year	60,766	79,578	9,645	7,288
Within two to five years	-	1,841	18,986	17,355
Over five years	-	-	-	-
	<u>60,766</u>	<u>81,419</u>	<u>28,631</u>	<u>24,643</u>

At 31 March 2022, the company has commitments under non-cancellable leases as follows:

	Land and Buildings		Other	
	2022	2021	2022	2021
	£	£	£	£
Within one year	-	-	9,645	7,288
Within two to five years	-	-	18,986	17,355
Over five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>28,631</u>	<u>24,643</u>

### 22. Related Party Transactions

The company has taken advantage of the exemptions available under FRS 102 paragraph 33-1A available to group companies and accordingly, details of transactions between the Trust and its subsidiaries are not separately disclosed.

	2022	2021
	£	£
Donations received from Directors / Trustees for general core activities	57,482	59,168
	<u>57,482</u>	<u>59,168</u>

No trustee was reimbursed for incurred expenses during the year £nil (2021: £nil).

## **Richard House Trust Notes to the Financial Statements for year ended 31 March 2022 (continued)**

### **Our Thanks**

Each year we must raise over £2 million in charitable income to keep Richard House open. Without the support of our many donors this would not be possible, and we are extremely grateful to every one of them.

A special thanks to all those in the local community who supported us through collection tins and challenge events

AFME  
Aimwell Charitable Trust  
Al Madina Mosque  
Alex Collins  
Alexandra Chapter no.5182  
All Saints Church  
Allianz Global Corporate & Speciality  
Amazon Smile  
Ames UK  
Armourers and Brasiers' Gauntlet Trust  
Arnold Clark Community Fund  
ARQ Homes  
ASDA Clapham Junction  
ASDA Community Fund  
Attic Self Storage  
Australia Chapter no.6505  
AXIS Capital  
Baha'i Community of Newham  
Ballymore  
Barclays HQ  
Barclays Wealth Technology  
Barking Abbey Comprehensive School  
Barking Road Runners  
Barts & The London RAG Society  
BBC Children in Need  
Beckton Fish Bar  
Beckton Pharmacy  
Bellway Homes  
Berkeley Foundation  
Booker Ltd  
Border Stone Lodge no.6755  
Borough of Newham Lodge no.8627  
Bouygues  
Buhler  
CadMan UK  
Canning Town Jobcentre  
Cassii Lodge No 9088

Castrum Lodge no.7630  
CBC Partnership

Chadwell Heath Canasta Club  
Chingford Tarernacle no.91  
Chobham Academy  
Church of God  
City & Shoreditch Rotary Club  
Cleaning & Support Services Association  
Clerkenwell Lodge of Installed Masters  
Clifford Chance  
CLS Group  
Commerzbank  
Compre Group  
Covenant Lodge no.4344  
Credit Agricole  
Crest of Mount Edgcumbe Lodge no.7431  
Custom House Baptist Church  
Damhurst Ltd  
David Lloyd Leisure Centres  
Dennis Hocking Lodge no.6279  
Dentons  
DSV Solutions  
Earl of Zetland Chapter no.1364  
Earls Lodge no.2347  
East London Mosque  
Easy R&D  
Eko Pathways School  
Europa Point Lodge no.8581  
Excel London  
Fables Auctions  
Formula E  
Gainsbury and Whiting  
Gallagher  
Genesis Futsal Club  
Give a Car UK  
Glitt3r & Shine  
Graham and Mary Stacy Trust  
Granite Chapter no.1328  
Guidehouse  
Guild of Freeman of the City of London  
Guildhall School of Music Chapter no.2454  
Hand of Good Fellowship Lodge no.5729  
Havering East Rotary Club  
Highbury Quadrant Congregational Church  
Holt Energy Advisors  
Homelands Charitable Trust  
HSBC Central Corporate  
HSBC Premier Branches  
HSBC Security Services  
IRF  
Jack Petchey Foundation

Johann Gutenberg Mark Lodge no.976  
John and Amelia Winter  
Johns & Co  
JP Morgan

King & Spalding  
Kings Church Barking  
Kingsford Community School  
Knight Dragon  
Lapis Magnes Lodge no.5024  
Lemon Melon Publishing Limited  
Leytonstone and Woodford Rotary  
Life Church UK  
Lodestone Mortgages  
Lodge of Hope no.7152  
Lodge of Love & Friendship no.6123  
London City Airport  
London City Island Leaseholders and Residents Association  
London Edenside Lodge  
London International Horseshow  
Loxford Social Club  
Loyal Duchess of Kent Lodge  
MACE Group  
Make a Difference Ltd  
Manor Park Cemetery & Crematorium  
Mark Masons  
Masonic Charitable Foundation  
Maylands Golf Club  
Mercer & Hole  
Metlife  
Metropolitan Grand Stewards' Lodge no.9812  
Military Order of the Collar Foundation  
Miller Insurance  
Monday Morning Walking Club  
Monmouth Rambling & Hillwalking Club  
Morrisons  
Mount Moriah Chapter no.143  
Mount Moriah Lodge no.34  
Nagrecha Brothers LTD  
National Emergencies Trust  
National Grid  
Newham North Islamic Association  
Newham Sixth Form College  
Orion House  
Oxygen Menswear  
Payne Hicks Beach  
Phoenix Lodge no.7476  
Porsche East London  
Power House International Ministries  
Prince Regent Hotel  
Principal Global  
Principle Cleaning

Prudence and Verity Mark Master Masons No 932  
Queen Mary SU  
R A O B Eastern Province General  
R A O B Edmund Cathery Lodge no.4383  
Radius Lodge  
Ralph and Elizabeth Aldwinckle  
Reiss Limited (Beckton)  
Riverside Bridge School  
Roding Rotary Club  
Rotary Club of London  
Royal Connections Church  
Rupert Patterson Lodge no.3646  
Seriously Funny  
SGN Retail  
Shepherds Bush Lodge no.1828  
Sir Jules Thorn Charitable Trust  
Sky  
St James' Place Foundation  
St John's Lodge no.167  
St Mark's Church - Forest Gate  
St Mark's College Lodge no.2157  
Tate & Lyle  
Taz Akhtar  
Telford Homes  
Tesco Bags of Help  
The Burdett Trust for Nursing  
The Charles Lewis Foundation  
The Claquettes  
The Economist Group  
The February Foundation  
The Forrester Family Trust  
The Hospital Saturday Fund  
The National Lottery Community Fund  
The Vandervell Foundation  
The Worshipful Company of Glovers of London  
The Worshipful Company of Pewterers (The Seahorse Trust)  
Thirsk Winton  
Thomas Miller  
Thomas Miller Insurance  
TK Maxx & Homesense Foundation  
Together for Short Lives  
Trevor Price  
Trinity Chapel  
Trinity Steering Group  
Tuesday Knitting Group  
Tuixen Foundation  
U3A - Havering  
United Mariners Lodge no.30  
Valero  
Waitrose - Victoria  
Walsingham Motor Insurance Ltd  
Wanstead Chapter no.3524  
Wells Fargo

Wendy Pritchard  
West Essex Round Table Lodge  
West Ham United Foundation  
Wood MacKenzie  
WWT



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richardhouse.org.uk



Richard House Trust is a registered charity (1059029) and a company limited by guarantee (3232837 - England & Wales). Its registered office is Richard House Children's Hospice, Richard House Drive, London E16 3RG