

THE SHAKESPEARE HOSPICE

ANNUAL REPORT AND ACCOUNTS 2020/21



Company Registration No. 3291683

Charity Registration No. 1064091

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Report of the Trustees for the Year Ending 31 March 2021

The Trustees are pleased to present their annual report and audited financial statements for the year ending 31 March 2021. This meets the requirements for a directors' report and accounts for Companies Act purposes.

The financial statements comply with relevant statutory and regulatory requirements:

- The Charities Act 2011;
- The Companies Act 2006;
- Our Articles of Association;
- Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

From the Chair

This year has been unlike any other in our history – we have faced unprecedented challenges due to the impact of the Coronavirus Pandemic. The Hospice had to very rapidly respond to those challenges to ensure that we could continue to support those who needed our help the most. With every part of our services being impacted, the team did an amazing job of mobilising quickly and implementing changes to all aspects of our operations; significant changes were required to the delivery of our clinical services, our Hospice shops had to close during the lockdown periods and fundraising went totally online. All events were cancelled including those planned to mark the Hospice's 21st Anniversary year in 2020.

Most non clinical staff were furloughed for periods and volunteers were stood down – a totally different way of working. Despite the challenges and the extraordinary pressure that we were under, we were able to continue to provide our much needed services to our community, albeit under different models of care to ensure covid safety.

Despite the challenges faced during the year we are pleased to report a surplus of £1.449m at the year end which includes a significant amount in respect of legacies and also emergency grants which were received. We are incredibly grateful to all those who have continued to support us during the year with donations and through their wills.

The new three year Strategic Plan which was agreed by the Board in 2019 provided a framework for our activities during the year. The Board started to review this Plan during the year in the light of the continuing impact of the Coronavirus and also against a changing external environment for health and social care. We will continue to monitor all developments carefully and look for opportunities to extend our reach further. We will also continue to review our operations and ensure that we remain cost efficient.

We recruited three new Trustees during the year, and I would like to thank all Trustees who have continued to give their time voluntarily over the year and have helped to steer the Hospice through the most challenging year in our history. Thanks also to all the wonderful staff at the Hospice who have risen to the many and varied challenges they have faced this year and also to our volunteers and supporters. Without the support of all these people we would not be able to offer the amazing care and support we provide to the local community.

Purpose

Our purpose, as set out in our Articles of Association, is:

- To help anyone with a life limiting illness to live in as fulfilled and creative way as possible;
- To offer care that is family centred;
- To enable people to die at home in dignity and comfort, if that is their wish.

In setting our strategies and plans, we have referred to the Charity Commission's guidance on public benefit, including PB2 'Public benefit: running a charity'.

The Charities Act 2011 sets out 13 aims which are recognised as charitable purposes, of which The Shakespeare Hospice meets three: the advancement of health, the relief of those in need by ill health or disability, and the advancement of education. All services provided to patients, families and carers are free of charge and available to all who meet the referral criteria.

Objects

The objects of The Shakespeare Hospice are for the public benefit: to promote the relief of sickness and the advancement of health in such ways as the charity shall from time to time think fit, in particular by:

- *Establishing, maintaining and conducting a day centre or residential home in the County of Warwickshire, for the reception and care of persons of any age and either sex, without regard to race or creed, who are suffering from any chronic or life limiting illness or from any disability or disease, and by providing medical or other treatment and attention for such persons; and by providing therapies and other services to relieve suffering of the members of the families of such persons and any who provide unpaid care to them;*
- *Conducting or promoting or encouraging research into the care and treatment of persons suffering from any such illness, disability, disease or infirmity and particularly into the care and treatment of persons suffering from life limiting illness, and to disseminate the results thereof to the public;*
- *Promoting or encouraging or assisting in the teaching or training of doctors, nurses, physiotherapists and other persons engaged in any branch of medicine, surgery, nursing or allied services and in the teaching or training of students in any branch of medicine, surgery, nursing or allied services;*
- *Providing or assisting or encouraging the provision of spiritual help and guidance for any patients, their families, carers and members of staff.*

Strategies

Our strategies to achieve our purpose and objects are:

- To provide a safe space for respite, nursing care, therapy, counselling, support and friendship;
- To offer practical, experienced nursing care in the home at the end of life in collaboration with the Primary Health Care Team;
- To support the patient's whole family, and those who matter to them, throughout their journey and into bereavement;
- To seek to understand people's needs, fears and hopes in a non-judgmental way;
- To give appropriate information and support at any stage in their journey for those living with, or affected by, a serious illness;
- To work collaboratively with our partners in health and social care and refer people to other agencies and sources of help where appropriate;
- To provide bespoke facilities for our work with children and young people.

Detail on the activities carried out to implement our strategies in the year is given in the 2020/21 Achievements' section below.

Measures

To evaluate the extent to which we are achieving our purpose, we use a number of quantitative and qualitative measures, including:

- The number of new referrals, patients and carers helped, and sessions provided;
- Service user experience feedback and oversight by the Clinical Governance Committee members;
- The review of clinical outcomes;
- Internal audits;
- Audits by external organisations, including the Care Quality Commission.

Activities

Summary

Our principal activities to further our purpose are:

- To provide specialist palliative care for adults with a life limiting illness and enabling them to make choices about the care they receive and where they wish to receive it;
- To offer care that is family-centred;
- To enable people to die at home with dignity and in comfort;
- To provide supportive care for bereaved children and young carers;
- To provide respite care for 16-24 year olds with a life-limiting illness.

2020/21 Achievements

During the year:

- We have survived the most challenging period the Hospice has ever faced, the impact of the Coronavirus Pandemic;

The Hospice launched a successful appeal at the onset of the Pandemic and received financial support from NHS England, the Job Retention Scheme, and Warwickshire County Council. The organisational restructure and redundancies during 2020 resulted in significant payroll / costs savings to our clinical and support services and income generation. The following was actioned;

All onsite patient activity was suspended with remote and virtual support services for patients and their families replacing face to face contact where appropriate.

The Day Hospice and Hospice at Home Team were merged to ensure we could meet the needs of our patients in their own home during this challenging period.

All volunteers were stood down and most non clinical staff were furloughed. All Hospice shops were closed during the lockdown periods. All fundraising events were cancelled, in particular those that were planned to celebrate the Hospice's 21st Anniversary year in 2020.

This swift action ensured that all of our patients, their families, our staff and volunteers, were kept as safe as possible as we ensured compliance with Government Guidelines.

- During this period, we have maintained all patient services, adapting our models of care to ensure covid safety.
- We have developed a new Single Point of Access service for South Warwickshire liaising with the NHS and other palliative care providers to facilitate a package of care for those who wish to return home when approaching end of their life.
- We are working with South Warwickshire Foundation Trust to implement the EMIS patient database.
- We have reviewed our Income Generation Strategy and commenced online trading as a priority.
- We have implemented digital and remote working across the organisation which will continue to evolve. This will drive accurate data reporting and efficiencies which will ultimately enable us to help more people.
- All of our working environments have undergone continual Infection Control risk assessments as new guidance has been received and have maintained safe working practices throughout, with staff wearing PPE as appropriate in the clinical and retail areas.
- We have commenced a staff well being and mental health awareness programme, which includes the appointment of a Trustee "champion" for health and well-being.

Clinical Services

2020/21 has not been a typical year for the Hospice. The global pandemic has meant that such services have had to be reactive, fast paced, and agile, so as to be responsive to the ongoing demands.

Clinical Services at the Hospice have been subjected to extraordinary pressure therefore significant changes to usual service delivery has been essential.

Day Hospice has been unable to provide care at the Shottery Hospice base, meaning that face to face sessions on site for nursing consultations, Diversional Therapy, Complementary Therapy or Chaplaincy/Spiritual Care have not taken place.

It has been necessary for the Hospice at Home and Day Hospice services to work closely together to provide an overall 'Adult Community Care Service (ACCS)'.

The Transitional Care Service has dovetailed alongside the newly formed ACCS and both the Adult Counselling and the Children's and Families Support Services (CAFFS) have also been required to move all activity to virtual delivery methods, or at school facilities if appropriate and fully risk assessed.

The reconfiguration of services during this reporting period has meant that comparative data against previous years as unattainable; a 'like for like' service model no longer exists. Instead, the data available will serve to demonstrate and provide evidence for the restoration and remodelling of clinical services going into 2021/22 and beyond.

Adult Community Care Services ACCS (Day Hospice and Hospice at Home)

With the traditional Day Hospice team unable to provide face to face support, the ACCS team rapidly mobilised. By April 2020 the traditional Day Hospice and Hospice at Home services had strengthened their offer by operating as one team, ensuring that any individual in need, within our community, was in receipt of appropriate support through safe and appropriate means. The combined caseload was RAG rated in accordance with Covid-19 restrictions.

During 2020/21 the ACCS cared for 501 patients. In addition, the service also provided extended informal support and care to those patients' families and support networks. Of these 501 patients, 284 were new referrals during the period.

The largest proportion of females were within the 25-to-64-years of age category (17% of total referrals) and for males this was the 75-to-84-year category (20% of referrals).

Approximately two thirds (62%) of all patients cared for by the Hospice team during the period had a cancer diagnosis. Digestive system cancers (predominantly oesophageal and gastric) being the most significant of the cancer groupings. Of the remaining third of patients who encountered non cancer diagnosis the most prevalent condition were neurological diseases including Motor Neurone Disease and Parkinsons Disease.

As highlighted, the pandemic required that our clinical services rapidly deployed a virtual support offer, for all those patients not in receipt of face to face physical contact – predominantly those who were stable but required palliative support. In total 5225 virtual support sessions were provided and 1203 face to face contacts were made.

During 2020/21 240 patients died whilst being cared for by the ACCS team, 92% of all deaths were in the patients chosen place of death (whether this be at home, in an IPU bed, a community hospital or elsewhere). This is notably the highest achievement rate in recent years, whereby previously the

average has been 85% - 88%. Of these deaths 81% specified that it was their preference to die at home, the pandemic has meant that more and more patients are choosing to remain at home to die rather than anywhere else, with reasons cited as 'wanting to be able to remain connected with family members, wanting to avoid contracting Coronavirus and not wishing to burden overstretched hospitals'.

An internal Single Point of Access (SPA) was introduced during the early stages of the pandemic, which by April 2020 was extended further to offer a SPA service on behalf of all South Warwickshire Hospice at Home providers, for timely and safe discharge planning from Warwick Hospital, as requested by South Warwickshire Foundation Trust (SWFT). This service has since been commissioned on a short term basis by SWFT.

Throughout the pandemic Hospice clinicians have continued to work closely with the NHS. One of the many benefits resulting from the pandemic, has been the enhanced and continuously improving relationships/communication with many key professional stakeholders, particularly our NHS colleagues.

Transitional Care Services

The Transitional Care Team have been involved with 16 patients, transitioning from paediatric to adult care services during the period.

These patients' life limiting health conditions are unique and complex, meaning that due to their brittle nature the risk of contracting Coronavirus has required that they strictly isolate during the pandemic. The support from the Transitional Care team has subsequently needed to be virtual, unless a crisis has arisen. The Transitional Care Team have kept in regular contact with these young adults and their families, ensuring that individual choice and preference has been accommodated wherever possible. Parent/Carer support has, as to be expected, been crucial and in demand during the pandemic. The Transitional Care Team have provided 225 virtual sessions for Transitional Care patients and their families/loved ones.

Taking into account the reduced physical and practical opportunities afforded to the Transitional Care Team and patients during the pandemic, the opportunity to dovetail the service alongside the ACCS during 2020/21 was taken. This has enabled the team to provide additional capacity and support during the pandemic.

Adult Counselling and Bereavement Support Service

There were 126 clients supported during 2020/21, of which 92 were new referrals and an equal proportion of pre and post bereavement clients.

72% of clients were female and 28% were male, whilst uptake via age groups was equally spread.

The relationship types, for those individuals receiving counselling were:

- 41% were the patients' spouse.
- 29% were patients themselves.
- 21% were the patients' children.

The counselling team provided 842 consultations during the period, all of which were virtual sessions.

Over this reporting period the average number of sessions received by an individual was 15, this takes into account those receiving pre bereavement support, which on occasion can involve additional sessions. During the period 64 patients were discharged.

Children's and Families Support Service

During the reporting period the service has supported 171 individuals. This includes children, their carers and professionals (most often teaching staff). 55 new referrals were received.

Typically, schools have been the most common referral source, but 2020/21 witnessed a change, with family members becoming the highest referring group. This is thought to be as a direct result of the restrictions placed upon schools during the pandemic and the need to be closed during the first and third lockdowns. The team were involved with 20 different schools during 2020/21.

Of the referrals received 70% were for post bereavement support and the remaining 30% for pre bereavement support.

There was an equal split between girls and boys receiving support. 50% of children were aged between 5 and 10 years old, 42% between 11 and 15 years old and 8% aged between 16 and 18 years old.

The nature of the pandemic has demanded that the service and staff be very responsive and flexible to each child's individual needs, moving between virtual videoconferencing 1:1 sessions and face to face sessions within schools, as restrictions have allowed.

The CAFFS service introduced videoconferencing solutions rapidly at the start of the pandemic. The safety and security of our younger people is always paramount, and a rigorous process was employed to ensure that the team met these essential elements with confidence.

During 2020/21 the team provided 213 online 1-1 sessions (videoconferencing); 169 face to face sessions (within schools); 336 telephone support calls and 565 support and information sharing emails.

Voluntary Services

All volunteers were stood down at the onset of the Pandemic in 2020. As fundraising and retail activities have recommenced, our volunteers have returned to support us with these activities following the relevant risk assessments and compliance measures which were put in place to enable a safe working environment. Volunteers working in the clinical areas will also undertake risk assessments and relevant training to ensure Covid safe operations prior to returning to the Hospice.

In line with all other services our voluntary services will be subject to a strategic review this year to ensure we are building a volunteer workforce aligned to our strategic objectives.

All work experience placements were cancelled during the year and we will be hoping to reinstate this service when safe to do so.

Income Generation

Fundraising

We continue to ensure fundraising practices remain compliant, respectful, open, and honest, ensuring that a positive supporter experience is at the heart of all we do. All Hospice supporters can be assured that we are registered with the Fundraising Regulator and comply with the regulatory standards and codes of practice. The Head of Income Generation provides training and guidance to all the fundraising

team and volunteers, including clear guidance on the fundraising regulator codes in event terms and conditions and for all members of the public raising funds 'in aid of' and/or 'on behalf of' the Hospice. This report covers the requirements charities must follow as set out in the Charities Act 2016.

Our fundraising activities predominantly encourage support through gifts in kind, regular or one off donations, event participation, community and corporate in aid of fundraising, legacies, and a lottery. We do not use any external professional fundraising organisation's to undertake public fundraising on our behalf.

We carefully select third party payment providers and platforms to ensure they comply with the General Data Protection Regulation (GDPR) 2018, and where data sharing is required, a data sharing agreement is in place.

We are registered with the Fundraising Preference Service to enable individuals to opt out from receiving fundraising or marketing communications from us. We had no requests from this service in 2020-21. A consent statement with opt-in marketing preferences is provided where data subject information is captured on all on and off-line communications.

In the last year, the Acceptance and Refusal of Donations Policy was implemented for three high value individual donations using the due diligence risk assessment procedure. Checks are also extended to corporate partnerships, third party suppliers, or event management companies which resulted in one corporate partnership being rejected and one new third party partnership approved.

The majority of our public fundraising activities and events were cancelled or postponed due to the COVID-19 pandemic. Our ability to plan continues to be challenging with the uncertainty of restrictions due to the pandemic. We launched an appeal in March 2020 and secured local and national media coverage, developed online fundraising platforms and created virtual fundraising events. We refocused and prioritised the objectives outlined in our 3 year (2020-2023) Income Generation Strategy to develop and grow a sustainable and long-term income from regular giving, in-memory, legacies, and through ecommerce.

Retail

In view of the current climate and predictions for the foreseeable future, charity retail ecommerce will play an increasingly larger part in the future of our Hospice retail income and it has been a pivotal time to review and develop our online offer. Our eBay shop has been used predominantly for higher price second-hand quality goods sourced from donations and we have also maintained an active stock presence on Amazon using a third-party platform, Kitebooks for collectable online book sales. In December 2020, we set up a central online Hospice shop portal for the first time to sell Christmas new goods and in March 2020, we launched a new online shop selling greeting cards with a personalised delivery service through a Shopify platform.

Complaints

Our website outlines how to make a complaint for members of the public and service users. We received 1 complaint in the 2020/21 financial year which was related to our retail activities. This complaint was successfully resolved. There were no complaints received relating to data management or safeguarding.

We acknowledged the complaint within 2 days and responded with an outcome of the investigation within 14 days. Complaints are dealt with in line with our Fundraising Complaints Policy. All complaints are escalated and reviewed by our Senior Management Team (SMT) and reported to their relevant trustee sub committees monthly. SMT and trustees also review complaints at bi-monthly board meetings, and we report to the Fundraising Regulator on the totality of our complaints.

We have published our Vulnerable Person's Policy on our website and have issued training and guidance to all staff and volunteers. In addition to our Policy, we have an agreed operating procedure to protect vulnerable people and this sets out how someone can raise concerns or report incidents. Our Whistleblowing Policy was reviewed during 2020. Our fundraisers (staff, volunteers, and third parties) are familiar with the Policy and procedure to ensure we protect vulnerable people and the reputation of the Hospice.

We are registered with the Fundraising Preference Service to enable individuals to opt out from receiving fundraising or marketing communications from us. We had no requests from this service in 2020/21. A consent statement with opt-in marketing preferences is provided where data subject information is captured on all on and off-line communications.

Plans for the Future

During these uniquely challenging times, we have reflected and learnt a lot, and anticipate many opportunities for the future. Our ultimate challenge will be to face the rising demand for our services and associated increased costs, whilst being able to innovate and collaborate to ensure financial sustainability.

Our plans for 2021/22 are detailed in our strategic plan 2020-2023 and although they have been slightly adapted to take account of the impact of the pandemic, they remain aligned to our overall strategic objectives. Operational plans will be regularly reviewed and adjusted according to the pandemic situation and any further lockdowns. In particular we will be:

- Remodelling some of our clinical services
- Refurbishing our clinical area to ensure it is fit for purpose
- Reviewing our voluntary services
- Continuing our digital transformation
- Implementing our revised Income Generation Strategy which includes an emphasis on regular giving and online trading.
- Seeking opportunities to collaborate appropriately with other organisations for the benefit of our beneficiaries.
- Implementing a Board Effectiveness review during the year and anticipate the outcome towards the end of the year.
- Implementing a greater awareness of staff health & wellbeing across the organisation.

Financial Review

Outcome for the Year

At the end of a year unlike any other in the Hospice's history, we are pleased to report a surplus of £1.449m for the year. This is primarily a result of an exceptional year for legacies in which we received £1.157m of legacy income, the highest ever amount. Without legacy income, the Hospice would have generated a surplus of £292k. This result reflects:

- An overall £508k increase in income: legacy income was £279k greater than in 2019/20, while donations increased by £32k, our income from charitable activities (core NHS Grants, Grants for Young People's Services and training income) increased by £12k. Offsetting the increases is a £56k fall in fundraising income (due to the COVID 19 pandemic preventing fundraising events) and a substantial £616k reduction in retail income, reflecting the closure of all our stores during long periods of the year due to COVID 19. Compensating for this loss of income the Hospice received emergency NHS England Grants of £466k, a Warwickshire County Council Infection Control Grant of £86k, Local Authority Retail grants of £194k and reimbursement of salary costs of £118k through the Coronavirus Job Retention Scheme.
- A £335k reduction in expenditure as the Hospice initiated a cost reduction programme, left vacancies unfilled and retail costs fell through the closure of our shops for much of the year.

Staff costs represented approximately 70% of our total costs (70% in 2020) and accounted for £175k of the overall reduction in expenditure as we sought to reduce our costs.

Reserves

Trustees are required to consider on an annual basis the level of reserves the hospice needs to hold, as an important part of planning and sound financial management. The Trustees have reviewed and refreshed the reserves policy as set out below.

Our policy is to hold sufficient unrestricted cash reserves to safeguard our medium-term financial viability. It takes into account the nature of our income streams and forecast expenditure and the need to provide against the uncertainty of income, especially the significant variability of legacy income.

We avoid holding excessive cash reserves: if they rise too high, we use them to facilitate the expansion of our existing charitable activities, projects (including the pilot of additional activities) and capital expenditure.

Our policy is to hold cash reserves of between six and nine months forecast annual operating costs, equivalent to £1.1m to £1.65m at 31 March 2021.

The surplus of reserves held compared to the reserves policy can be applied to furthering the Hospice's long term strategy and may be invested as a means to generate income and long term capital growth in support of the Charity's purpose. Amounts held in long term investments are excluded from our cash reserves policy above.

At the end of 2020/21 we held approximately fourteen months cash reserves. In light of the COVID 19 pandemic, the level of uncertainty of our income streams and how service models may develop in future, we consider it prudent to hold a higher level of reserves at this time.

We have established a Designated Fund to represent the value of unrestricted funds tied up in tangible fixed assets and therefore not readily available for funding day to day hospice expenditure or future deficits. Our policy is to maintain this Designated Fund and to make transfers between unrestricted funds

and the Designated Fund each year to represent the change in the value of tangible fixed assets over the year. Accordingly, at the year end, the Trustees transferred £1.044m of unrestricted funds to the newly created Designated Fund, leaving other unrestricted funds carried forward of approximately £2.607m.

Next Year

Prior to the year end, the Trustees approved a budget for 2021/22 which reflected reinvestment in filling vacant posts and a realistic level of fundraising income.

In line with recommended practice, the Hospice finances are managed using an agreed budget and a twelve month rolling forecast, which is regularly updated as new information becomes available.

The latest forecast indicates that with the current level of predicted income over the coming year, including notified legacies, the Hospice is forecast to break-even over the period to 31 August 2022. Based on this and the higher level of reserves currently held, the Trustees believe that The Shakespeare Hospice will continue to be a going concern for the foreseeable future and have approved the accounts on this basis.

Investment Policy

Our funds are currently held with Barclays Bank and on deposit with a range of financial institutions through the Charities Aid Foundation.

In line with our updated reserves policy, trustees have agreed to invest a modest amount into a long term ethically managed investment fund with CCLA Investment Management Limited, to provide long term capital growth in support of the Hospice's long term objectives.

Risks

Our main financial risk is an unexpected reduction in our income. This is described in the Risk Management section below.

Structure, Governance and Management

Constitution

The Shakespeare Hospice's governing document is its Articles of Association, which was updated in 2018. The Trustees also follow relevant legislation and guidance, including the Charity Governance Code.

The Hospice is registered as a company limited by guarantee, number 3291683. It is also registered with the Charity Commission for England and Wales, number 1064091.

Appointment of Trustees

Where vacancies arise, Trustees are recruited following an advertisement in the local press; applicants who have an existing relationship with the Hospice may also be considered. After submitting a CV, suitable applicants are interviewed by the Chair, another Trustee and the Chief Executive, following which a recommendation is made to the full Board. Upon appointment, the new Trustee undertakes an induction programme. This includes meetings with the Chair and other Trustees, and with the Chief Executive and other members of the Senior Management Team, as well as a comprehensive reading

list designed to help the new Trustee learn about the Hospice and the requirements of the role as quickly as possible.

Our position as set out in the paragraphs below on Diversity in the Workplace apply to the selection and recruitment of Trustees, who are all volunteers.

We currently have 14 Trustees on the Board, as follows:

Men (5)

Women (9)

There were no BME Trustees represented on the Board during the year.

The management of the Hospice, within approved plans and budgets, is delegated by the Board to the Chief Executive. The Senior Management Team consists of the Head of Clinical Services, the Head of Income Generation, and the Head of Finance & Operations, all of whom, report directly to the Chief Executive.

Staff Remuneration

Staff remuneration, including that of the Chief Executive and senior managers, is agreed by the Board, normally as part of the annual budget exercise, taking account of NHS pay scales for clinical staff, and the local market for non-clinical staff. The non-clinical staff pay scales and incremental points have been reviewed during 2020/21.

The Hospice monitors its pay practice to ensure that it complies with equal pay for work of equal value legislation and the best principles of equity. All remuneration activity is monitored to ensure that no gender or other bias arises in practice and that a fair approach on remuneration is achieved across the organisation.

Diversity and inclusion

The Shakespeare Hospice is committed to being a diverse and inclusive charity that is accessible to all. We are working to do this in a number of important ways.

We are creating diversity and inclusion plans to deliver equality of access, quality of care and outcomes to diverse communities.

We will also be monitoring who is using our services and gathering feedback on how terminally ill people, families and carers experience our care so that we can measure the effectiveness of our diversity and inclusion initiatives.

Through this work we will ensure that everyone we support, regardless of their personal characteristics or condition, receives an equitable service in an environment that is free from discrimination of any kind.

Diversity in the workplace

We welcome a diverse workforce and value difference in our staff and volunteers:

- We recognise that a diverse workforce allows us to provide the best care for people living with a terminal illness.
- We will show respect for all our employees and volunteers, valuing each individual's contribution, regardless of their:
 - age
 - disability
 - gender reassignment
 - marriage, and civil partnership
 - pregnancy and maternity
 - race
 - religion and belief
 - sex
 - sexual orientation
 - irrelevant offending background
 - responsibility for dependents
 - economic status; or
 - political values.
- We are committed to providing equal opportunities for all employees and volunteers while continuing to base selection and promotion solely on ability to meet the requirements of the post.
- We value and consider the talents and skills available in the community when employment and volunteering opportunities arise, and ensure those employment opportunities are available to all. As a result, our workforce will be a reflection of the population we serve.
- We work continuously to ensure that all reasonable steps are taken to make our information accessible, that individuals are treated equally and fairly and that decisions on recruitment, selection, training and career development are based on clear, objective criteria.

The Shakespeare Hospice is committed to taking active steps to address and eliminate unfair or unlawful discrimination or prejudice where these are identified in the organisation's procedures or practices. Our current policy is as follows:

- Equal Opportunity Policy – HR021- December 2017
- All staff via eLearning for Health undertake annual Equality & Diversity training.

Trustee Meetings

The Board met monthly during the year. In addition, the Board had 2 planning days with the Senior Management Team focusing on our strategic objectives, governance issues and risk management. The Chief Executive and SMT attend all Board meetings.

Most of the detailed work of the Board is carried out by five committees; the number of meetings in the year is given in brackets:

- Chair's Committee (5)
- Finance & Audit Committee (12)
- Clinical Governance Committee (6)
- Income Strategy Committee (12)
- HR Committee (5)

Role of the Trustees

Responsibility for the charity's overall strategy, the management of risk and legal compliance rest with the Board of Trustees. Day-to-day responsibility for the running of the charity is delegated by the Board to the Chief Executive.

In particular, the Trustees consider their role to encompass:

1. Setting the strategic direction of the Hospice

This is achieved through an annual cycle of strategic discussion, which has enabled the development of a three-year plan. This leads to annual departmental objectives and implementation plans.

2. Approval of plans and budgets

An overall annual plan and budget for the forthcoming financial year is presented to the Board and approved prior to the start of each year.

3. Monitoring of performance

Quantitative and qualitative information regarding clinical activity is collected and summarised on a monthly basis and submitted to the Clinical Governance Committee and the Board at each of their meetings.

Management accounts, showing our income and expenditure and cash position against budget, are produced by the Head of Finance every month. These are reviewed at Finance & Audit Committee meetings, circulated to all directors before every board meeting, and discussed at the board meetings.

Any complaints are reviewed by the Chair's Committee.

4. Monitoring of statutory compliance

The Board receives reports of inspections, from the Clinical Governance Committee and the Care Quality Commission.

5. Risk Management

Risk Management

This year our Risk Management policy has been reviewed and the corporate risk register updated. This is reviewed annually by Board and bimonthly by the sub committees. Risk Management is a standard agenda item on Board, sub committee and SMT meetings.

A comprehensive range of risks has been identified. Our key risks are considered to be:

- A significant reduction in income:

This year our voluntary income reduced significantly due to the impact of the pandemic. We are heavily dependent on our fundraising and retail activities, as NHS grants contribute only 11% of our total income. To mitigate this risk, both the Income Strategy Committee and the Finance and Audit Committee review actual and forecast performance against budget at their regular meetings; potential issues are identified and plans to make good any shortfall are put in place. Our reserves policy, described in the Financial Review above, is designed, in part, to protect us against the short-term impact of an unplanned reduction in income and has been reviewed this year due to the impact of the pandemic.

- Loss of, or inability to recruit, key personnel

Within a small organisation, an unplanned vacancy or the inability to recruit key personnel can pose a significant threat to our ability to deliver services or raise funds. As a result of the pandemic and a change in working practices, we are reviewing our recruitment and retention strategies to include a review of our volunteer workforce and future requirements.

- Safeguarding

The relevant policies and procedures (including whistleblowing) have all been reviewed and training for staff and volunteers is in place. A Trustee safeguarding lead has been appointed.

Trustees' Responsibilities in Relation to the Financial Statements

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

Company law requires the Trustees to prepare accounts for each year which 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 the period. In preparing the financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently;
- Observe the methods and principles in the Charities Statement of Recommended Practice (SORP);
- Make judgments 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts 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.

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 accounts may differ from legislation in other jurisdictions.

Statement as to Disclosure to our Auditors

In so far as the Trustees are aware at the time of approving our Trustees' annual report:

- There is no relevant information, being information needed by the auditor in connection with preparing their report, of which the auditor is unaware;
- The Trustees, having made enquiries of fellow Trustees and the auditor that they ought to have individually taken, have each taken all steps that he/she is obliged to take as a Trustee in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Reference and Administrative Details

Name	The Shakespeare Hospice
Company Registration Number	3291683
Charity Registration Number	1064091
Registered Office & Principal Office	Church Lane Shottery Stratford-upon-Avon Warwickshire CV37 9UL
Bankers	Barclays Bank plc Market Cross Stratford-upon-Avon Warwickshire CV37 6AP
Solicitors	Shakespeare Martineau LLP Bridgeway House Bridgeway Stratford-upon-Avon Warwickshire CV37 6YY Caroline Lee & Associates 11 Marchmount Road Wylde Green Sutton Coldfield B72 1EE
Auditors	H L Barnes Barclays Bank Chambers Stratford-upon-Avon Warwickshire CV37 6AH
Chief Executive	Angie Arnold

Trustees:

(from 1 April 2020 until the date of approval of the annual report, and the committees on which they serve or served)

Fiona Murphy	Chair's, Income Strategy, HR
Dr Cristina Ramos	Chair's, Clinical Governance
Gill Thomas	Income Strategy
Kathryn Williams (resigned 20.07.21)	Clinical Governance
James Richards (resigned 17.11.20)	Income Strategy
Charles Horton	Finance & Audit
Richard Barrett	Chair's, Finance & Audit
Debbie Smith	Clinical Governance
Elizabeth Spencer	Clinical Governance, HR
Dr Jeremy Shearman	Clinical Governance
Bill Acres	Chair's, Income Strategy
Dr Paul Simmonds	Chair's, Finance & Audit, HR
Helen Cave (appointed 18.08.20)	Income Strategy
Susan Newcombe (appointed 18.05.21)	Income Strategy
Claire Wright (appointed 18.05.21)	Income Strategy
Mandy Webb (appointed 18.05.21)	Income Strategy

Approval

This report was approved by the Trustees on and signed on their behalf by:



Fiona Murphy (Chair)

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE SHAKESPEARE HOSPICE

Opinion

We have audited the financial statements of The Shakespeare Hospice (the 'charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and 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 charitable company's affairs as at 31 March 2021, and of its 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.

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 Auditors' 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, inadvertently or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information. The other information comprises the information in the Report of the Trustees, other than the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinion 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 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 Statement of Trustees' Responsibilities set out on page 15, 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 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors 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:

Discussion with the Board and management involved in the Risk and Compliance functions of the charitable company, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud. Evaluation and testing of the Board and senior management's controls, designed to prevent and detect irregularities. Assessment of management's investigation into any such reported matters and enquiry of those responsible for investigating suspected or alleged fraudulent activity within the company.

Reviewing relevant correspondence between the Board, management, and staff.

Designing audit procedures to incorporate unpredictability around the nature, timing, or extent of our testing. The audit procedures include, but are not limited to, identifying and testing journal entries based on risk criteria, identifying and testing transactions entered into outside the normal course of the charitable company's business, and ensuring all transactions and journals have been approved by management with the appropriate authority to do so.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. The risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 purpose of expressing an opinion on the effectiveness of the 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 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 Report of the Auditors 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 Report of the Auditors. However, future events or conditions may cause the 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.
- 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.

Use of our report

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



Robert Bowen BA (Hons) FCA (Senior Statutory Auditor)
for and on behalf of H L Barnes, Statutory Auditors
Barclays Bank Chambers
Stratford upon Avon
Warwickshire
CV37 6AH
16th August 2021

Accounts for the Year Ended 31 March 2021

Statement of Financial Activities (incorporating an income and expenditure account) for the year ending 31 March 2021

Income:	Note	Current Year				Prior Year		
		Unrestricted	Unrestricted - Designated	Restricted	Total Funds	Unrestricted	Restricted	Total Funds
		£	£	£	£	£	£	£
Donations and Legacies	2	1,787,694	-	89,659	1,877,353	1,349,750	216,442	1,566,192
Income and charitable activities	3	109,779	-	806,660	916,439	144,989	206,962	351,951
Income and other trading activities	4	188,342	-	-	188,342	859,964	-	859,964
Investment income	5	48	-	-	48	-	-	-
Other income	6	312,053	-	-	312,053	7,863	-	7,863
Total Income		2,397,916	-	896,319	3,294,235	2,362,566	423,404	2,785,970
Expenditure:								
Costs of raising funds								
Fundraising		273,596	-	-	273,596	374,014	-	374,014
Retail		500,063	-	-	500,063	618,788	-	618,788
Total costs of raising funds	7	773,659	-	-	773,659	992,802	-	992,802
Expenditure on charitable activities								
Operation of a hospice	8	284,430	-	786,717	1,071,147	747,391	439,265	1,186,656
Total Expenditure		1,058,089	-	786,717	1,844,806	1,740,193	439,265	2,179,458
Net Income/(expenditure) and net movement in funds for the year		1,339,827	-	109,602	1,449,429	622,373	(15,861)	606,512
Reconciliation of funds								
Total funds Brought forward		2,311,092	-	1,081,332	3,392,424	1,688,719	1,097,193	2,785,912
Designation of funds	18	(1,044,255)	1,044,255	-	-	-	-	-
Total funds carried forward		2,606,664	1,044,255	1,190,934	4,841,853	2,311,092	1,081,332	3,392,424

The Statement of Financial Activities includes all gains and losses recognised in the year. All amounts relate to continuing activities

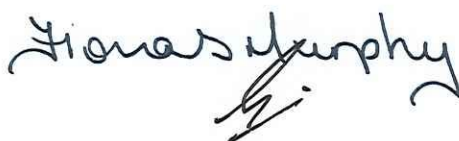
The notes on pages 26 - 38 form part of these accounts.

Balance Sheet at 31 March 2021

	Note	Current year £	Prior Year £
Fixed assets			
Tangible assets	13	2,187,447	2,151,816
Total fixed assets		2,187,447	2,151,816
Current assets			
Stock		6,095	7,480
Debtors	14	174,135	105,572
Cash at bank and in hand		2,632,818	1,354,368
		2,813,048	1,467,420
Liabilities			
Creditors: amounts falling due within one year	15	158,642	226,812
Net current assets		2,654,406	1,240,608
Total net assets		4,841,853	3,392,424
The funds of the charity			
Unrestricted funds		2,606,664	2,311,092
Unrestricted - Designated funds		1,044,255	-
Restricted funds	17	1,190,934	1,081,332
Total funds	19	4,841,853	3,392,424

Approved by the trustees on 16 August 2021 and signed and authorised for issue on their behalf by:

Fiona Murphy



Director

Charles Horton

Director

The notes on pages 26-38 form part of these accounts.

Statement of Cash Flows for the year ended 31 March 2021

	Note	Current Year	Prior Year
		£	£
Cash used in operating activities	21	<u>1,309,550</u>	<u>810,518</u>
Cash flows from investing activities			
Interest		-	-
Purchase of property, plant and equipment		(31,100)	(43,727)
Net cash used in investing activities		<u>(31,100)</u>	<u>(43,727)</u>
Increase/(decrease) in cash and cash equivalents in the year		<u>1,278,450</u>	<u>766,791</u>
cash and cash equivalents at start of year		1,354,368	587,577
Cash and cash equivalents at the end of the year	22	<u><u>2,632,818</u></u>	<u><u>1,354,368</u></u>

The notes on pages 26-38 form part of these accounts.

Notes to the Accounts for the Year Ended 31 March 2021

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

The financial statements have been prepared in accordance with:

- Charities SORP (FRS 102), ie Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2015);
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- The Companies Act 2006.

The Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note.

b) Legal status

The Hospice is a company limited by guarantee and has no share capital. In the event of the Hospice being wound up, the liability in respect of the guarantee is limited to £2 per member of the Hospice.

c) Going concern

Given the Hospice's favourable fundraising record and the level of year-end reserves, the Trustees consider that the Hospice has adequate resources to continue in operation for the foreseeable future. Accordingly, the financial statements have been prepared on a going concern basis.

d) Fund accounting

Unrestricted funds are available to spend on activities that further any of our charitable purposes. Restricted funds are donations where the donor has specified, they should only be used for certain aspects of our work. The costs of raising and administering such funds are charged against the specific fund, unless expressly forbidden by the donor. The aim and use of each material restricted fund is set out in the accounting policy notes. Investment income, gains and losses are allocated to the appropriate fund.

e) Income

Income is recognised when the Hospice has entitlement to the funds, any performance conditions have been met, it is probable that the income will be received, and the amount can be measured reliably.

Where income has related expenditure (as with fundraising income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. If a donation is subject to fulfilling performance conditions, the income is recognised when it is probable that those conditions will be met.

Income from NHS contracts, government and other grants, whether capital grants or revenue grants, are recognised when the Hospice has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

Legacies are recognised when there is a high probability that they will be paid, and the amount can be measured with a reasonable degree of accuracy.

Income received in advance for a future fundraising event or for a grant received relating to the following year are deferred until the criteria for income recognition are met.

Interest on deposits is included when receivable and the amount can be measured reliably, which is normally on notification by the bank of the interest paid or payable.

Sponsorship from events, fundraising and events registration fees are recognised in income when the event takes place. Lottery income is accounted for in respect of those draws that have taken place in the year. Trading income is recognised on point of sale for both donated and purchased goods.

f) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation and the amount can be measured reliably. All expenditure is accounted for on an accruals basis under the following headings:

- *Expenditure on raising funds* comprises costs incurred in seeking donations, grants and legacies, and the costs of fundraising activities including the cost of goods sold, shop costs, commercial trading and their associated support costs.
- *Expenditure on charitable activities* includes the costs of providing specialist palliative care and support, community services, and other activities to further the purposes of the Hospice, and their associated support costs.
- *Support costs* are those that are incurred in support of expenditure on the objects of the Hospice. They consist mainly of governance, the CEO, and Finance.

Governance costs are incurred in connection with the Hospice's constitutional and statutory requirements. Support costs are allocated to each activity on the basis of staff time or usage. More detail is given in the relevant note below.

- Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

g) Volunteers

The value of the services provided by volunteers is not incorporated into these financial statements. Further details of their contribution are provided in the Trustees' report.

h) Fixed assets

All assets costing more than £1,000 are capitalised at their historical cost when purchased. Assets costing less than £1,000 are capitalised when it is deemed appropriate.

Depreciation is provided to write off the cost, less an estimated residual value, of all fixed assets over their expected economic useful lives on a straight-line basis as follows:

Freehold land	Not depreciated
Freehold building and refurbishment	50 years
Leasehold building improvements	Shorter of 6 years or life of lease
Other assets	4 years

The need for impairment of a fixed asset write-down is considered if there is concern over the carrying value of an asset and is assessed by comparing the carrying value against the value in use or realisable value of the asset.

i) Revaluation of tangible fixed assets

The Hospice has not revalued any of its fixed assets.

j) Investments

The Hospice's investments consist entirely of deposits with major UK banks.

k) Stock

Stock of retail goods is included at the lower of cost or net realisable value. Donated items of stock for resale or distribution are not included in the financial statements until they are sold or distributed, because the Trustees consider it impractical to assess the net realisable value of donated stocks. This is because their eventual sale value is uncertain, there are no systems in place to record these items until they are sold and undertaking a stock take would incur undue cost which would outweigh the benefits.

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 in hand includes cash and fixed term deposits with less than one year to maturity.

n) Creditors

Creditors are recognised where the Hospice 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) Pensions

Where requested, the Hospice makes contributions toward an employee's pension fund:

- A number of employees are in the NHS Superannuation scheme. Although this is a defined benefit scheme, it is a multi-employer scheme for which the Hospice's share of the underlying assets and liabilities cannot be identified. It is therefore accounted for as a defined contribution scheme in accordance with FRS102.
- Other employees are members of a defined contribution scheme.

The Hospice's contributions to these schemes are charged to the Statement of Financial Activities when due.

p) Operating leases

Operating leases are recognised over the period in which the lease falls due.

2 Income from donations and legacies

	Current Year				Prior Year		
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£	£
Donations	630,999	-	89,659	720,658	472,655	215,442	688,097
Legacies	1,156,695	-	-	1,156,695	877,095	1,000	878,095
	1,787,694	-	89,659	1,877,353	1,349,750	216,442	1,566,192

The charity benefits greatly from the work of its volunteers, details of which are given in our annual report. In accordance with FRS102 and the Charities SORP the economic contribution of general volunteers is not recognised in these accounts.

3 Income from Charitable Activities

	Current Year				Prior Year		
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£	£
NHS core grant	107,264	-	-	107,264	70,264	-	70,264
NHS Hospice at Home Grant	-	-	207,646	207,646	-	184,896	184,896
NHS Additional Support Grant	-	-	-	-	73,000	-	73,000
Grants for Young People's Service	-	-	46,899	46,899	-	22,066	22,066
Training income	2,515	-	-	2,515	1,725	-	1,725
Warwickshire County Council Adult Social Care Infection Control Fund Grant	-	-	85,943	85,943	-	-	-
NHS England Grant	-	-	466,172	466,172	-	-	-
Total	109,779	-	806,660	916,439	144,989	206,962	351,951

4 Income from Other Trading Activities

	Current Year				Prior Year		
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£	£
Fundraising	8,034	-	-	8,034	63,147	-	63,147
Lottery	10,065	-	-	10,065	11,017	-	11,017
Retail	170,243	-	-	170,243	785,800	-	785,800
Total income from shops	188,342	-	-	188,342	859,964	-	859,964

Retail income was derived primarily from our 7 shops (prior year 7).

5 Investment Income

	Current Year				Prior Year		
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£	£
Bank interest	48	-	-	48	-	-	-

6 Other Income

Current Year				Prior Year		
Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Restricted	Total
£	£	£	£	£	£	£
312,053	-	-	312,053	7,863	-	7,863

The current year other income is from The Coronavirus Job Retention Scheme (£118k), Local Authority Retail Grants (£194k), and catering income. The prior year other income consists primarily of catering income and income derived from the sale of assets.

7 Costs of Raising Funds

	Current Year				Prior Year		
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Restricted	Total
	£	£	£	£	£	£	£
Fundraising							
Staff	155,631	-	-	155,631	223,447	-	223,447
Hospice events	3,067	-	-	3,067	30,974	-	30,974
Promotional Costs	5,454	-	-	5,454	19,244	-	19,244
Support Costs	55,078	-	-	55,078	57,598	-	57,598
Other	54,366	-	-	54,366	42,751	-	42,751
Total	273,596	-	-	273,596	374,014	-	374,014
Retail							
Staff	248,940	-	-	248,940	283,038	-	283,038
Bought in Goods	7,130	-	-	7,130	20,157	-	20,157
Property Costs	150,442	-	-	150,442	207,394	-	207,394
Support Costs	36,719	-	-	36,719	38,399	-	38,399
Other Costs	56,832	-	-	56,832	69,800	-	69,800
Total	500,063	-	-	500,063	618,788	-	618,788
Total costs of raising funds	773,659	-	-	773,659	992,802	-	992,802

8 Expenditure on Charitable Activities

	Current Year			Prior Year		
	Direct Costs	Support Costs	Total	Direct Costs	Support Costs	Total
	£	£	£	£	£	£
Day Hospice	141,106	28,567	169,673	410,382	153,594	563,976
Hospice at Home	493,763	191,745	685,508	307,047	76,797	383,844
Young people's Service	160,888	55,078	215,966	181,237	57,599	238,836
Total	795,757	275,390	1,071,147	898,666	287,990	1,186,656
Of which:			£			£
Unrestricted			284,430			747,391
Unrestricted - Designated			-			-
Restricted			786,717			439,265
			<u>1,071,147</u>			<u>1,186,656</u>

9 Analysis of Support costs

	Current Year			Prior Year		
	Management and admin	Governance	Total	Management and admin	Governance	Total
	£	£	£	£	£	£
Fundraising	53,054	2,024	55,078	55,226	2,372	57,598
Retail	35,369	1,350	36,719	36,817	1,582	38,399
Costs of Raising Funds	88,423	3,374	91,797	92,043	3,954	95,997
Day Hospice	23,168	5,399	28,567	147,267	6,327	153,594
Hospice at Home	189,046	2,699	191,745	73,634	3,163	76,797
Young people's service	53,054	2,024	55,078	55,226	2,373	57,599
Expenditure on Charitable Activities	265,268	10,122	275,390	276,127	11,863	287,990
Total	353,691	13,496	367,187	368,170	15,817	383,987

The majority of support costs are allocated on an estimate of management time, floorspace and use of assets.

Analysis of management and administration costs

	Current year	Prior year
	£	£
Payroll and staff related	248,333	279,435
IT and other overheads	91,693	70,701
Share of hospice premises costs	8,819	10,810
Depreciation	4,846	7,224
Total	353,691	368,170

10 Analysis of the costs of staff, trustees and key management personnel

	Current Year	Prior Year
	£	£
Wages and salaries	1,148,773	1,309,866
Social security costs	92,266	100,159
Pension costs	65,278	71,346
Total	1,306,317	1,481,371

No member of the Board of Trustees received any amoluments or reimbursed expenses (prior year: nil)

The average monthly head count was 56 (prior year 73)

Total remuneration paid in respect of key management personnel was £ 310,371 (2019/20: £326,610) which includes employer's National Insurance and Pension contributions. The figure for 2020/21 includes the CEO, Head of Finance and Operations, Head of Clinical Services and Head of Income Generation.

The number of employees whose total employee benefits, excluding pension contributions, exceeded £60,000, was:

	Current Year	Prior Year
£60,000 to £69,999	1	1
£80,000 to £89,999	0	1
£90,000 to £99,999	1	0

11 Net Income

Net income is stated after
charging :

		Current Year £	Prior Year £
Operating lease rentals	Shops	116,023	148,964
	Equipment	13,880	13,880
Depreciation and loss on disposal	Owned Assets	85,469	76,981
Auditors' remuneration		<u>12,000</u>	<u>12,500</u>

12 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.

13 Tangible Fixed Assets

	Freehold property £	Investment property £	Fixtures and Fittings £	Medical Equipment £	Other £	Total £
Cost						
At start of year	2,858,058	-	287,940	38,968	44,266	3,229,232
Additions	-	90,000	31,100	-	-	121,100
Disposal	-	-	-	-	-	-
At end of year	2,858,058	90,000	319,040	38,968	44,266	3,350,332
Depreciation						
At start of year	766,085	-	246,392	37,170	27,769	1,077,416
Charge for the year	53,962	-	25,111	899	5,497	85,469
Eliminated on disposal	-	-	-	-	-	-
At end of year	820,047	-	271,503	38,069	33,266	1,162,885
Net book value						
At start of year	2,091,973	-	41,548	1,798	16,497	2,151,816
At end of year	2,038,011	90,000	47,537	899	11,000	2,187,447

14 Debtors

	Current year £	Prior Year £
Prepayments	50,652	54,391
Accrued Income	1,998	5,489
Tax recoverable	14,352	22,942
Other Debtors	107,133	22,750
Total	174,135	105,572

15 Creditors: amounts falling due within one year

	Current Year £	Prior Year £
Trade creditors	26,845	92,310
Taxation and social security	-	26,682
Other creditors and accruals	131,797	107,820
Total	158,642	226,812

16 Obligations Under leasing Agreements

		Current Year			Prior Year		
		Land and Buildings	Plant and Machinery	Total	Land and Buildings	Plant and Machinery	Total
		£	£	£	£	£	£
Expiring	Within 1 year	105,007	13,880	118,887	104,687	13,880	118,567
	Between 1 and 5 years	238,229	2,459	240,688	178,904	16,339	195,243
	In more than 5 years	-	-	-	30,082	-	30,082
Total		343,236	16,339	359,575	313,673	30,219	343,892

17 Restricted Funds

	Current Year			Prior Year				
	Balance at start of year £	Income £	Expenditure £	balance at end of year £	Balance at start of year £	Income £	Expenditure £	balance at end of year £
Hospice at home	-	286,441	219,336	67,105	-	311,151	311,151	-
Hospice Counselling room	6,940	250	490	6,700	7,180	-	240	6,940
Hospice roof tiles	6,560	-	228	6,332	6,787	-	227	6,560
Security	12,010	-	3,913	8,097	-	12,360	350	12,010
Diversional therapy	-	-	-	-	-	500	500	-
Clinical Training	-	-	-	-	-	1,350	1,350	-
Vehicles	-	-	-	-	-	130	130	-
NHS refurbishment grant	509,538	-	13,234	496,304	522,773	-	13,235	509,538
NHS England Grant	-	466,172	466,172	-	-	-	-	-
Infection control	-	85,943	11,261	74,682	-	-	-	-
Garden	8,262	60	268	8,054	8,472	-	210	8,262
Furniture, fittings and Equipment	316	-	316	-	869	20,000	20,553	316
Young people's services	1,144	3,514	4,418	240	427	26,657	25,940	1,144
Building the future	535,594	-	12,174	523,420	547,766	-	12,172	535,594
Counselling and bereavement	-	-	-	-	-	400	400	-
Children's bereavement service	-	47,439	47,439	-	-	14,013	14,013	-
Day hospice	-	-	-	-	-	12,160	12,160	-
Clinical room	968	-	968	-	2,623	-	1,655	968
Syringe driver	-	-	-	-	296	-	296	-
Complementary therapy	-	-	-	-	-	739	739	-
Transitional care	-	6,500	6,500	-	-	23,944	23,944	-
Total	1,081,332	896,319	786,717	1,190,934	1,097,193	423,404	439,265	1,081,332

The Hospice at Home Fund was established in 1998 to fund the Hospice at Home Service.

The Hospice Counselling Room Fund was established in 1998 to provide a counselling room within the Hospice.

The Hospice Roof Tile Fund was established in 1998 to raise money for the Hospice roof.

The Security Fund was established in 2020 to improve security at the Hospice following a break-in

The Diversional Therapy Fund was established in 2007 to assist in funding diversional therapies.

The Clinical Training Fund was set up for a specific grant for an 8 week training course for clinical staff.

The Vehicle Fund was set up in 2019 to replace a stolen catalytic converter

The NHS Refurbishment Grant Fund was established in 2008 with a grant received to refurbish the Hospice.

The Garden Fund was established in 2009 to landscape and furnish the hospice garden.

The Furniture, Fittings and Equipment Fund was established in 2009 to purchase furniture or equipment. There is negative expenditure this year due to a review of depreciation rates on an asset.

The Young People's Services Fund was established in 2014 with a grant from Stratford upon Avon Town Trust to support the needs of children and young people.

The Building the Future Fund was launched in 2014 with an NHS capital grant to raise funds for capital build and young people's services.

The Children's Bereavement Service Funds was established in 2016 to provide counselling and bereavement support for children and young people.

The Clinical Room Fund was set up in 2017 to assist with funding the fitting of a clinical room.

The Syringe Driver fund was set up in 2016 to purchase a syringe driver for the day hospice.

The Day Hospice Fund was set up to support the Day Hospice

The Infection control fund was set up in 2021 to be used for infection control measures.

The NHSE grant fund was set up in 2021 when 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.

21 Reconciliation of net movements in funds to net cash flow from operating

	Current Year	Prior Year
	£	£
Net movement in funds	1,449,429	606,512
Adjustments:		
Depreciation and loss on disposal	85,469	76,981
Bank interest	-	-
Decrease/(increase) in stocks	1,385	(3,540)
(Increase)/decrease in debtors	(68,563)	55,491
(Decrease)/increase in creditors	(68,170)	75,074
Investment property gifted to Hospice	(90,000)	-
Net cash used in operating activities	<u>1,309,550</u>	<u>810,518</u>

22 Analysis of cash and cash equivalents

	Current Year	Prior Year
	£	£
Cash in hand	2,632,818	1,354,368
	<u>2,632,818</u>	<u>1,354,368</u>