

# **THE SHAKESPEARE HOSPICE**

## **ANNUAL REPORT AND ACCOUNTS 2021/22**



**Company Registration No. 3291683**

**Charity Registration No. 1064091**

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## Report of the Trustees for the Year Ending 31 March 2022

The Trustees are pleased to present their annual report and audited financial statements for the year ending 31 March 2022. 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 2019).

### **From the Chair**

This year has again been impacted by the Coronavirus Pandemic which has proved so challenging to everyone. I'm pleased to say that the Hospice management and staff continued to rise to the challenges and, by adhering to the ever-changing rules and regulations, their dedication, resilience and flexibility ensured Covid was kept at bay while our key services continued to be delivered efficiently and effectively. While covid will continue to be present in our lives for the foreseeable future, as its prevalence reduces the Hospice will gradually return to offering all the services it did before the pandemic struck. The newly refurbished Day Centre is subject to a phased re-opening and will be playing its vital role in the communities we serve.

For 2021-22, Hospice financial statements show a surplus of £883,022 (2020-21 £1,449,429) which includes significant legacy income and some Covid-related grants which have facilitated the refurbishment programme.

The economic environment has changed significantly over the last few months and inflationary pressures will inevitably reduce economic growth and make fundraising increasingly challenging which could negatively impact financial performance. We are also involved in ongoing work with other providers and service commissioners to develop a collaborative model for the future delivery of end-of-life care across South Warwickshire. We are now entering the final year of our Strategic Plan and work is beginning on developing the next plan which will reflect these challenges and opportunities.

The management and staff of the Hospice continue to be our greatest asset and I thank them for everything they do.

While volunteer involvement has, due to Covid restrictions, been limited this year, I thank them for their contribution and look forward to increasing their involvement as activities resume.

We have seen a few changes to the Trustee Board during the year with 5 Trustees, including the previous Chair, standing down and 5 appointed. My thanks go to all Trustees, past and present, for their hard work and dedication throughout the year.



Finally, special thanks to our CEO, Angie, who left the Hospice at the end of May. Her 13 years have seen many changes. Her leadership saw the development of several new services, notably bereavement and young people's services and a tripling of service users. Angie leaves the Hospice in a significantly stronger position than when she joined. On behalf of everyone connected with the Hospice, I wish her every success in whatever she chooses to do next.

## **Paul Simmonds** **Chair**

### **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 2021/22 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.

## **2021/22 Achievements**

The Hospice has continued to operate successfully during another challenging year facing the Covid Pandemic. Patient activity, with the exception of some bereavement care, continued as virtual support services for patients and their families, although the Hospice at Home team continued to support patients in their own home.

Most volunteers continued to be stood down with the exception of some of our fundraising groups, who have raised much needed funds at this challenging time. During this period the staff who had been furloughed returned to work and all Hospice shops were reopened.

Our key achievements during the year have included;

- We have maintained Covid safe practices across the organisation to safeguard our staff, volunteers and patients.
- We have continued to maintain all patient services whether face to face or virtual.
- All of our working environments have undergone continuous infection control risk assessments as we have adapted to new guidance received.
- Our Day Hospice has undergone a total refurbishment and has been modernised with new furniture and accessories, in anticipation of welcoming our patients back onsite at Shotton during 2022.
- We have implemented the EMIS patient database, which will enable us to communicate more effectively with NHS colleagues.
- We have maintained our Pilot Single Point of Access service for South Warwickshire in partnership with South Warwickshire Foundation Trust.
- We are part of a Coventry and Warwickshire Hospices Working Together group which, will review equitable access to palliative care services.
- Our managers have received Mental Health Awareness training and a wellbeing article is circulated on a monthly basis within the usual update for staff and volunteers.
- We undertook a Birdsong staff survey, and an action plan will be developed to improve communications across the organisation.
- Online trading has recommenced and is growing successfully.
- We implemented a Board Effectiveness review during the year which resulted in the formulation of an action plan.



## **Clinical Services**

2021/22 continued to be a challenging year for the Hospices' clinical services, with a number of restrictions in place and the emergence of the new Omicron (Coronavirus) variant.

The unpredictable nature of the pandemic continued to demand that clinical services remained agile and responsive, safeguarding the most vulnerable and those in need within our community.

Group sessions held at the Shottery Day Hospice site remained closed during the year, in the best interests of our community's safety and in accordance with both local and national guidance. Instead services were reconfigured and the modality of provision adjusted, to ensure that no patient went without the care and support that they required.

Our teams have continued to diversify their approach delivering care through a hybrid approach of virtual support, home visits and for our younger people support and activities within schools and local outdoor community facilities.

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

The Hospice at Home and Day Hospice teams have continued to work closely together and the benefits of this model have been increasingly noted. Patients and their loved ones have received care at home with a blended approach of virtual and physical visits, in accordance with the individuals' changing requirements.

During 2021/22 the ACCS team actively visited 444 patients (2020/21, 501), performing a total of 1,859 face to face visits. In addition, the service has also provided extended informal support and care to those patients' families and support networks. Of the 444 patients, 333 were new referrals during the period (2020/21, 284).

Overall, the team provided 9,397 support contacts to patients, their carers and loved ones through both face to face and virtual means

73% of individuals referred had a primary cancer diagnosis, the most common being cancer of the digestive system followed by cancers of the respiratory system. 27% of those referred had a non-cancer diagnosis, with the most common being neurological conditions, such as Motor Neurone Disease.

Geographically the five General Practice areas with the highest number of patients cared for by the Team were as follows:

- ❖ 40% with a Stratford GP
- ❖ 12% with a Kenilworth GP
- ❖ 9% with an Alcester GP
- ❖ 7% with a Wellesbourne, Shipston-on-Stour or Kineton GP and
- ❖ 7% with a Bidford-On-Avon GP.

75% of the total caseload was comprised of referrals from the above top five GP practices.

During 2021/22 245 patients died whilst being cared for by the ACCS team (2020/21, 240), 92% of all deaths were in the patients chosen place of death (whether this be at home, in a Hospice In Patient Unit bed, a community hospital or elsewhere). This is consistent with the previous year and a reassuring achievement given that prior to 2020 the average had been 85% - 88%. As the pandemic has continued so more patients are choosing to remain at home to die rather than anywhere else.



### **Adult Counselling and Bereavement Support Service**

Adult Counselling services have continued to provide all consultations remotely during the reporting period.

There were 132 clients supported during 2021/22, (2020/21, 126), of which 98 were new referrals, (2020/21, 92). Of these referrals 55% of clients were accessing pre bereavement support and 45% post bereavement support.

As public restrictions began to ease and travel and activities increased so the Counselling team noted a reduction in clients availability with regular weekly attendance to all sessions. An understandable consequence as opportunities to reconnect with loved ones was afforded! A total of 643 virtual one to one consultations were provided during the period.

69% of clients were female (2020/21, 72%) and 31% were male (2020/21, 28%), whilst uptake via age groups remained equally spread as per the previous year.

### **Children's and Families Support Service**

The Children's and Families Support Service received 81 referrals during 2021/22 (2020/21,55), with 36% of young people accessing pre bereavement support and 64% accessing post bereavement support.

The service continues to support young people in the school environment, at home and virtually, based upon the younger persons choice. 1,627 support contacts were made during the period of which 38% were able to be offered as face to face, despite the constraints of the pandemic. The remaining 62% of sessions were provided through virtual means, with 17% being via telephone or online.

Of those face to face sessions provided, 69% were within the school environment. 2021/22 has afforded the opportunity for the team to build and strengthen relationships within schools, in turn supporting the provision of therapeutic input in the school setting, where appropriate. The team have been working in over 20 schools during this period.

For many children school is a safe environment; meeting the Hospice team during the school day affords an ease of access and less disruption and reliance upon parents/carers to bring them to the Hospice. For others the Hospice setting is considered a less intrusive and more private environment, away from familiar contacts and individuals that could be inquisitive and curious. For these younger people the service has been able to offer Covid Secure sessions from within the bespoke Children's Hub facilities; 27% of individuals specifically welcomed this opportunity.

It is the intention to continue to work more closely with schools and to continue to build strong relationships, but equally so it is recognised that 2022/23 will hopefully see more younger people once again accessing support directly at the Hospice site.



### **Transitional Care Services**

Transitional care have, until early 2022 been providing remote support only. These young people's life limiting health conditions are unique and complex, meaning that due to their brittle nature the risk of contracting Coronavirus had required that they strictly isolate during the pandemic. The support from the Transitional Care team had subsequently needed to be virtual unless a crisis had arisen.

Once again the support provided to carers during the ongoing pandemic has been crucial and the team have invested heavily in ensuring that they have been able to maximise every opportunity to do this.

With vaccination rates increasing and restrictions easing in the New Year the team were delighted to be able to provide some face to face support in individuals homes and the community setting once again.

The Transitional Care Team have been involved with 17 patients (2020/21,16), transitioning from paediatric to adult care services during the period, providing 345 support sessions through a range of both virtual and face to face modes, dependent upon the individuals needs and situation at the time.

### **Many Opportunities**

Despite the ongoing pressures, 2021/22 has also presented the clinical department with a number of opportunities.

A short term Single Point of Access (SPA) set up in Spring 2020, for an initial six months has been commissioned and further extended by South Warwickshire Foundation Trust (SWFT). The service is delivered by the Hospice on behalf of all South Warwickshire Hospice at Home providers, for timely and safe discharge planning from Warwick Hospital and more recently has also begun to facilitate community admission avoidance referrals. Moving into 2022/23 this service is recognised as a cornerstone for the success of future collaborative working between the 'Coventry and Warwickshire Hospices Working Together' programme.

A successful Grant application saw the employment of a Young Persons Counsellor (as a pilot concept) working as part of the Children's and Families Support Service, for an initial twelve months. A collaborative project, working with SWFT, the project aims to identify and support families in need earlier in their journeys and to also educate staff within Warwick Hospital to feel equipped and confident to hold difficult conversations, when identifying the need for 'family support'.

At the start of 2022 a new Clinical Database was introduced across all of our Hospice clinical services – a project in design for two years. The introduction of the EMIS system (which is utilised by all General Practice Surgeries and Community NHS Teams in South Warwickshire) has improved the quality and efficiency of our Teams direct patient care significantly. Equally, the richness of the data captured will support the Hospice to evidence the growing future demands for Hospice care. The next twelve months will be a period of embedding and developing the application of the system within our services, so as to further benefit our patients and the care provided. The many benefits that the introduction of EMIS has already afforded to both the clinical teams and those cared for, has far outweighed early expectations and provides great possibilities for the future. We will continue to work closer with our partners, towards achieving a true Integrated Care Records System, supporting quality care and exceptional standards.

Going forward we will also continue to review our strategic approach according to local need. In particular working in collaboration with our health and social care colleagues, to review patient pathways and care coordination, whilst also looking further at our bereavement services.



## **Voluntary Services**

All volunteers were stood down at the onset of the Pandemic in 2020. As some fundraising and retail activities have resumed our volunteers have returned to support us, following the relevant risk assessments and compliance measures which were maintained in order to enable a safe working environment. We have taken this opportunity to review our voluntary services and plan to rebuild our volunteer workforce.

## **Income Generation**

The Income Generation 2021/22 report covers the requirements charities must follow as set out in the Charities Act 2016.

We continue to ensure that every interaction with our supporters delivers a positive experience, and that supporter-led engagement is embedded at the heart of all we do.

We are registered with the Fundraising Preference Service to enable individuals to opt out from receiving fundraising or marketing communications from us. We haven't received any suppression requests from this service in 2021/22. The team have completed an audit of all supporter touch points to ensure, where applicable, a consent statement with opt-in marketing preferences is up-to-date and provided at the point data subject information is captured for all on and off-line communications.

In the last year, the Acceptance and Refusal of Donations Policy was implemented and approved for two high value individual donations using the due diligence risk assessment procedure.

Our fundraising activities continued to be limited throughout 2021/22 due to the ongoing Covid-19 restrictions. We received support through gifts in kind, regular or one-off donations, event participation, community and corporate in aid of fundraising, legacies, and a lottery. Currently, we do not use any external professional fundraising organisations to undertake public fundraising on our behalf.

As a result of Covid-19 pandemic, it was a pivotal time to review and develop the hospice e-commerce operation. The Hospice invested in a new Online Shop for new goods and increased the sale of donated goods through online shopping platforms, with the objective to achieve the best price possible for a donated item and to increase our reach in a global marketplace.

In July 2022, we held our 21<sup>st</sup> Anniversary Ball which was postponed in 2020.

We will monitor all income streams carefully, being mindful of the ongoing economic situation.

## **Complaints**

Our website outlines how a member of the public or service user can make a complaint. We received 4 complaints in the 2021/22 financial year (2020/21, 1) which related to our fundraising and retail activities. These complaints were successfully resolved. No complaints were received during the year relating to data management or safeguarding.

We acknowledge a complaint within 2 days and respond with an outcome of the investigation within 14 days. Complaints are dealt with in line with our Fundraising Complaints Policy. All complaints are escalated as appropriate, 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 2021. 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.

## **Plans for the Future**

We are looking forward to fully welcoming back our patients and families on our Shottery site, when safe to do so. A phased re-opening is in progress whilst we monitor the ongoing implications of Covid.

We will continue to ensure that Covid safe practices are maintained within the Hospice to ensure the wellbeing and safety of our staff, volunteers and patients.

Our objectives for the future are aligned to our Strategic Plan 2020 – 2023. Our Strategy is reviewed at our twice-yearly Board Away Days and our operational plans are reviewed regularly at our subcommittee and SMT meetings.

Our plans for 2022/23 will include;

- A formal review and refresh of our Strategic Plan (Currently 20-23).
- Continuing to seek opportunities to work collaboratively with other Health & Social Care providers to benefit our patients and families.
- Rebuilding of the volunteer workforce.
- Implementation of the Board Effectiveness Action Plan.

## **Financial Review**

### **Outcome for the Year**

At the end of another challenging year dominated by the impact of COVID 19 upon our operations and income generation, we are pleased to report a surplus of £883k for the year. This is primarily a result of another very good year for legacies in which we received £870k of legacy income. Without this legacy income, the Hospice would have had a surplus of £13k. This result reflects:

- An overall decrease of £360k in our income: legacy income was £287k lower than the record level in 2020/21, while donations decreased by £163k, our income from charitable activities (core NHS Grants, Grants for Young People's Services and training income) increased by £59k.
- A partial recovery in retail income which increased by £515k as our shops were open for substantially more of the year than in 2020/21 and an increase in fundraising income of £39k.
- Continuation of Government support though at a lower level than in 2020/21. The Hospice received emergency NHS England Grants of £242k (£466k in 2020/21), a Warwickshire County Council Infection Control Grant of £84k, a similar amount to the prior year.



- An increase of £182k in expenditure as the Hospice began to fill vacancies left unfilled during 2020/21 and retail costs increased as our shops commenced trading again.

Staff costs represented approximately 69% of our total costs (60% in 2020/21) and accounted for £89k of the overall increase in expenditure.

### **Reserves**

Trustees are required to consider on an annual basis the minimum 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.

Given the current political and economic climate, rising costs and other risks, our policy is to hold cash reserves of at least twelve months forecast annual operating costs. We recognise a need to maintain financial resilience following a period of uncertainty and disruption due to COVID19.

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.

In common with many charities, 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. It is our policy 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.

### **Next Year**

Prior to the year end, the Trustees approved an investment focussed budget for 2022/23 reflecting investment in filling vacant posts, recruiting to new positions, the reopening of our Day Hospice and a realistic level of fundraising income.

In line with recommended practice, the Hospice finances are managed using an agreed budget and a 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 make a deficit of £662k to 31 July 2023. However, based on 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 cash funds are held with Barclays Bank and on deposit with a range of financial institutions through the Charities Aid Foundation.

We have invested £0.5m with CCLA Investment Management Limited in a long term ethical equity based investment, to provide long term capital growth in support of the Hospice's long term objectives.

## **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 11 Trustees on the Board (2020/21,14), as follows:

Men (4) (2020/21,5)

Women (7) (2020/21,9)

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 as part of the annual budget exercise, taking account of NHS (Agenda for Change) pay scales for clinical staff and the local market for non-clinical staff.

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 implementation of EMIS will enable us to more easily monitor our service users gathering feedback on patients, carers and families experience. Through this work we will ensure that everyone we support regardless of their individual characteristics, receives an equitable service and in an environment that is free from discrimination of any kind.

The Board Effectiveness Review (2021/22) highlighted the need to revise our Equality, Diversity and Inclusion Policies and Procedures. The Shakespeare Hospice is committed to being a diverse and inclusive charity and will be working on an action plan to improve this. A Trustee champion has been appointed to lead on this.

## **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:

- Finance & Audit Committee (12 )
- Clinical Governance Committee (5)
- Income Strategy Committee (11 )
- 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 and Operations every month. These are reviewed at Finance & Audit Committee meetings, circulated to all Directors before every board meeting, and discussed at the board meetings.

The Income Strategy Committee reviews the income generation activities of the Hospice and the HR Committee provides oversight of management, staff and volunteers issues.

Any complaints are reviewed by the relevant Sub-Committee.

#### 4. Monitoring of statutory compliance

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

### **Risk Management**

Our corporate Risk Register is updated regularly and approved twice yearly by the Board. Risk Management is a standard agenda item on the Board subcommittee meetings and the SMT meetings.

Going forward our key risks are considered to be;

- A significant reduction in income which, in part, may be due to the current economic situation.
- Ensuring a Covid-safe environment for patients, staff and volunteers.
- Workforce – i.e. loss of or inability to recruit key personnel. Maintaining contingencies pending sickness absence due to Covid infection.
- Safeguarding - The relevant policies and procedures (including whistleblowing) have all been reviewed and training for staff and volunteers is in place. The Board of Trustees includes a safeguarding lead.

The Trustees have reviewed the major risks to the organisation and have established processes and procedures to manage those risks.

### **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 financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- Select suitable accounting policies and 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 charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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  Charities Aid Foundation 25 King's Hill West Malling Kent ME19 4TA
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	Burgis & Bullock 8 Elm Court Arden Street Stratford upon Avon CV37 6PA
Chief Executive	Angie Arnold



**Trustees:**

(from 1 April 2021 until the date of approval of the annual report, and the committees on which they serve or served)

Fiona Murphy (resigned 16.11.21)	Chair's, Income Strategy, HR
Dr Cristina Ramos	Chair's, Clinical Governance
Gill Thomas (resigned 24.09.21)	Income Strategy
Kathryn Williams (resigned 20.07.21)	Clinical Governance
Charles Horton (resigned 24.09.21)	Finance & Audit
Richard Barrett	Chair's, Finance & Audit
Debbie Smith	Clinical Governance
Elizabeth Spencer	Clinical Governance, HR
Dr Jeremy Shearman	Clinical Governance
Bill Acres (resigned 29.03.22)	Chair's, Income Strategy
Dr Paul Simmonds (appointed Chair Jan 22)	Chair's, Finance & Audit, HR, Income Strategy
Helen Cave	Income Strategy, Finance and Audit
Susan Newcombe (appointed 18.05.21)	Income Strategy
Claire Wright (appointed 18.05.21, resigned 31.05.22)	Income Strategy
Mandy Webb (appointed 18.05.21)	Income Strategy
Ross Taylor (appointed 17.08.21)	Finance & Audit
Nicola Gotrel (appointed 16.11.21)	Clinical, HR

**Approval**

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



**Paul Simmonds (Chair)**

25 July 2022

## **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 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022, 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 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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our



knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- The information given in the Trustees' report (incorporating the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

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

- 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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or the Trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemption in preparing the Directors' report from the requirement to prepare a strategic report.

### **Responsibilities of Trustees**

As explained more fully in the Trustees' responsibilities statement (set out on page 14), 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 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.



### **Auditor's responsibilities for the audit of the financial statements**

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

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

We gained an understanding of the legal and regulatory framework applicable to the charitable company and the industry in which it operates and assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Based on our understanding of the charity and the sectors it operates in we identified that the principal risks of non-compliance with laws and regulations related to breaches of Charities Act 2011; UK Tax Legislation and Employment Law; Companies Act 2006; Health care regulations; Safeguarding and GDPR regulations; as well as the terms of the charity's governing documents.

We evaluated management incentive and opportunities for fraudulent manipulations of the financial statements and determined the principal risks are related to fraudulent transactions to meet funders requirements or to gain personal benefit for the Trustees or members of management.

Audit procedures performed included:

- Identifying and assessing the design effectiveness of controls in management have in place to prevent and detect fraud.
- Challenging assumptions and judgments made by management in their significant accounting estimates and assessing if these indicate evidence of management bias;
- Reviewing the accounting records for large and unusual journal entries and testing any identified and, in particular, reviewing any large or unusual bank payments and confirming that the rationale for any such transactions were not outside the charity's normal course of activity;
- Reviewing correspondence, minutes and documents for evidence of non-compliance with regulations or legislation;
- Testing a sample of debit entries in the statement of financial activity to check they are bona-fide costs made for the benefit of the charitable company;
- Discussions with management, including consideration of known or suspected incidences of non-compliance with laws and regulation and fraud.

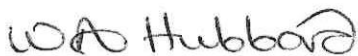


Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed 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.

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

### Use of our report

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



Wende Hubbard ( FCCA)  
Senior Statutory Auditor  
For and on behalf of Burgis and Bullock  
**Chartered Accountants**  
**Statutory Auditor**



8 Elm Court  
Arden Street  
Stratford upon Avon  
CV37 6PA

## Accounts for the Year Ended 31 March 2022

### Statement of Financial Activities (incorporating an income and expenditure account) for the year ending 31 March 2022

Income:	Note	2022				2021			
		Unrestricted	Unrestricted - Designated	Restricted	Total Funds	Unrestricted	Unrestricted - Designated	Restricted	Total Funds
		£	£	£	£	£	£	£	£
Donations and Legacies	2	1,327,871	-	99,670	1,427,541	1,787,694	-	89,659	1,877,353
Income and charitable activities	3	145,344	-	600,678	746,022	109,779	-	806,660	916,439
Income and other trading activities	4	739,694	-	-	739,694	188,342	-	-	188,342
Investment income	5	2,787	-	-	2,787	48	-	-	48
Other income	6	18,668	-	-	18,668	312,053	-	-	312,053
		-	-	-	-	-	-	-	-
<b>Total Income</b>		<b>2,234,364</b>	<b>-</b>	<b>700,348</b>	<b>2,934,712</b>	<b>2,397,916</b>	<b>-</b>	<b>896,319</b>	<b>3,294,235</b>
<b>Expenditure:</b>									
<b>Costs of raising funds</b>									
Fundraising		332,281	-	-	332,281	273,596	-	-	273,596
Retail		567,900	-	-	567,900	500,063	-	-	500,063
		-	-	-	-	-	-	-	-
<b>Total costs of raising funds</b>	7	<b>900,181</b>	<b>-</b>	<b>-</b>	<b>900,181</b>	<b>773,659</b>	<b>-</b>	<b>-</b>	<b>773,659</b>
<b>Expenditure on charitable activities</b>									
Operation of a hospice	8	308,628	-	817,700	1,126,328	284,430	-	786,717	1,071,147
		-	-	-	-	-	-	-	-
<b>Total Expenditure</b>		<b>1,208,809</b>	<b>-</b>	<b>817,700</b>	<b>2,026,509</b>	<b>1,058,089</b>	<b>-</b>	<b>786,717</b>	<b>1,844,806</b>
<b>Net Income/(expenditure) before gains/(losses) on investments</b>		<b>1,025,555</b>	<b>-</b>	<b>(117,352)</b>	<b>908,203</b>	<b>1,339,827</b>	<b>-</b>	<b>109,602</b>	<b>1,449,429</b>
Net (losses) on investments	25	(25,181)	-	-	(25,181)	-	-	-	-
<b>Net income/(expenditure)</b>		<b>1,000,374</b>	<b>-</b>	<b>(117,352)</b>	<b>883,022</b>	<b>1,339,827</b>	<b>-</b>	<b>109,602</b>	<b>1,449,429</b>
<b>Reconciliation of funds</b>									
Total funds Brought forward		2,606,664	1,044,255	1,190,934	4,841,853	2,311,092		1,081,332	3,392,424
Designation of funds	18	(35,078)	35,078	-	-	(1,044,255)	1,044,255	-	-
		-	-	-	-	-	-	-	-
<b>Total funds carried forward</b>	19	<b>3,571,960</b>	<b>1,079,333</b>	<b>1,073,582</b>	<b>5,724,875</b>	<b>2,606,664</b>	<b>1,044,255</b>	<b>1,190,934</b>	<b>4,841,853</b>

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

The notes on pages 25-37 form part of these accounts.

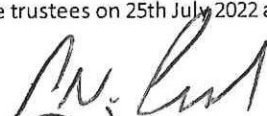


## Balance Sheet at 31 March 2022

	Note	2022 £	2021 as restated £
<b>Fixed assets</b>			
Tangible assets	13	2,102,315	2,097,447
Investments	21	494,819	-
<b>Total fixed assets</b>		<b>2,597,134</b>	<b>2,097,447</b>
<b>Current assets</b>			
Stock		6,095	6,095
Property for re-sale	26	70,000	90,000
Debtors	14	813,503	174,135
Cash at bank and in hand		2,451,496	2,632,818
		<b>3,341,094</b>	<b>2,903,048</b>
<b>Liabilities</b>			
Creditors: amounts falling due within one year	15	213,353	158,642
<b>Net current assets</b>		<b>3,127,741</b>	<b>2,744,406</b>
<b>Total net assets</b>		<b>5,724,875</b>	<b>4,841,853</b>
<b>The funds of the charity</b>			
Unrestricted funds		3,571,960	2,606,664
Unrestricted - Designated funds	18	1,079,333	1,044,255
Total Unrestricted funds		4,651,293	3,650,919
Restricted funds	17	1,073,582	1,190,934
<b>Total funds</b>	19	<b>5,724,875</b>	<b>4,841,853</b>

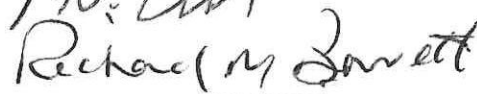
Approved by the trustees on 25th July 2022 and signed and authorised for issue on their behalf by:

Paul Simmonds



Director

Richard Barrett



Director

The notes on pages 25-37 form part of these accounts.

Company number: 3291683

## Statement of Cash Flows for the year ended 31 March 2022

	Note	2022 £	2021 £
Cash used in operating activities	22	<u>400,003</u>	<u>1,309,550</u>
<b>Cash flows from investing activities</b>			
Interest		2,787	-
Purchase of property, plant and equipment		(84,112)	(31,100)
Investments		(500,000)	-
<b>Net cash used in investing activities</b>		<u>(581,325)</u>	<u>(31,100)</u>
<b>Increase/(decrease) in cash and cash equivalents in the year</b>		<u>(181,322)</u>	<u>1,278,450</u>
cash and cash equivalents at start of year		2,632,818	1,354,368
<b>Cash and cash equivalents at the end of the year</b>	23	<u><u>2,451,496</u></u>	<u><u>2,632,818</u></u>

The notes on pages 25-37 form part of these accounts.



## Notes to the Accounts for the Year Ended 31 March 2022

### 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), i.e. Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102, effective 1 January 2019);
- The Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102);
- The Companies Act 2006 and Charities Act 2011.

The financial statements are prepared in sterling, which is the functional currency of the charity. Monetary amounts in these financial statements are rounded to the nearest £1.

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 private company, incorporated in England, 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. Designated funds are unrestricted funds which have been set aside by trustees for a future purpose. 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 notes to the accounts. 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 Gift Aid tax claims is recognised for any donations with relevant Gift Aid certificates recognised in income for the year. Any amounts of Gift Aid not received by the year end are accounted for in income and accrued income in debtors.

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 and is not deferred.

For legacies, entitlement is taken on a case by case basis as the earlier of; the date on which the Hospice is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. If the legacy is in the form of an asset other than cash or an asset listed on a recognised stock exchange, recognition is subject to the value of the asset being able to be reliably measured and title to the asset has passed to the charity. Where legacies have been notified to the charity or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

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

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price.

The Statement of Financial Activities includes the net gains and losses arising on revaluation and disposals throughout the year.

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

Unrealised gains and losses are calculated as the difference between the fair value at the year end and their carrying value. Realised and unrealised gains and losses are combined in the Statement of Financial Activities.

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

Employees of the charity are entitled to join a pension scheme. The costs of the scheme are included with the associated staff costs and allocated to the activities of the charity when they fall due.

- 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.

p) Operating leases

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

q) Financial Instruments

The Charity only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2 Income from donations and legacies

	2022				2021			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
General donations	371,992	-	25,670	397,662	442,654	-	29,202	471,856
Charitable Trusts	85,500	-	74,000	159,500	188,345	-	60,457	248,802
Legacies	870,379	-	-	870,379	1,156,695	-	-	1,156,695
	<u>1,327,871</u>	<u>-</u>	<u>99,670</u>	<u>1,427,541</u>	<u>1,787,694</u>	<u>-</u>	<u>89,659</u>	<u>1,877,353</u>

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.

At 31st March 2022 the Hospice had been notified of two further potential legacies. No provision for these has been made in the accounts as the amounts are not known.

3 Income from Charitable Activities

	2022				2021			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
NHS core grant	145,344	-	-	145,344	107,264	-	-	107,264
NHS Hospice at Home Grant	-	-	190,745	190,745	-	-	207,646	207,646
Grants for Young People's Service	-	-	84,208	84,208	-	-	46,899	46,899
Training income	-	-	-	-	2,515	-	-	2,515
Warwickshire County Council Adult Social Care Infection Control Fund Grant	-	-	83,895	83,895	-	-	85,943	85,943
NHS England Grant	-	-	241,830	241,830	-	-	466,172	466,172
Total	<u>145,344</u>	<u>-</u>	<u>600,678</u>	<u>746,022</u>	<u>109,779</u>	<u>-</u>	<u>806,660</u>	<u>916,439</u>

4 Income from Other Trading Activities

	Current Year				Prior Year			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
Fundraising	46,672	-	-	46,672	8,034	-	-	8,034
Lottery	7,856	-	-	7,856	10,065	-	-	10,065
Retail	685,166	-	-	685,166	170,243	-	-	170,243
Total income from shops	<u>739,694</u>	<u>-</u>	<u>-</u>	<u>739,694</u>	<u>188,342</u>	<u>-</u>	<u>-</u>	<u>188,342</u>

Retail income was derived primarily from our 6 shops (prior year 7).

## 5 Investment Income

	Current Year				Prior Year			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
Bank interest	2,787	-	-	2,787	48.00	-	-	48.00

## 6 Other Income

2022				2021			
Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
£	£	£	£	£	£	£	£
18,668	-	-	18,668	312,053	-	-	312,053

The current year other income is from Local Authority Retail Grants.

The prior year other income consists primarily of the Coronavirus Job Retention Scheme (£118k) and Local Authority Retail Grants (£194k).

## 7 Costs of Raising Funds

	2022				2021			
	Unrestricted	Unrestricted - Designated	Restricted	Total	Unrestricted	Unrestricted - Designated	Restricted	Total
	£	£	£	£	£	£	£	£
<b>Fundraising</b>								
Staff	194,256	-	-	194,256	155,631	-	-	155,631
Hospice events	17,818	-	-	17,818	3,067	-	-	3,067
Promotional Costs	9,807	-	-	9,807	5,454	-	-	5,454
Support Costs	61,409	-	-	61,409	55,078	-	-	55,078
Other	48,991	-	-	48,991	54,366	-	-	54,366
<b>Total</b>	<b>332,281</b>	<b>-</b>	<b>-</b>	<b>332,281</b>	<b>273,596</b>	<b>-</b>	<b>-</b>	<b>273,596</b>
<b>Retail</b>								
Staff	305,203	-	-	305,203	248,940	-	-	248,940
Bought in Goods	15,939	-	-	15,939	7,130	-	-	7,130
Property Costs	151,434	-	-	151,434	150,442	-	-	150,442
Support Costs	40,938	-	-	40,938	36,719	-	-	36,719
Other Costs	54,386	-	-	54,386	56,832	-	-	56,832
<b>Total</b>	<b>567,900</b>	<b>-</b>	<b>-</b>	<b>567,900</b>	<b>500,063</b>	<b>-</b>	<b>-</b>	<b>500,063</b>
<b>Total costs of raising funds</b>	<b>900,181</b>	<b>-</b>	<b>-</b>	<b>900,181</b>	<b>773,659</b>	<b>-</b>	<b>-</b>	<b>773,659</b>

## 8 Expenditure on Charitable Activities

	Current Year			Prior Year		
	Direct Costs	Support Costs	Total	Direct Costs	Support Costs	Total
	£	£	£	£	£	£
Day Hospice	217,720	23,579	241,299	141,106	28,567	169,673
Hospice at Home	462,549	222,054	684,603	493,763	191,745	685,508
Young people's Service	139,018	61,408	200,426	160,888	55,078	215,966
<b>Total</b>	<b>819,287</b>	<b>307,041</b>	<b>1,126,328</b>	<b>795,757</b>	<b>275,390</b>	<b>1,071,147</b>
Of which:			£			£
Unrestricted			308,628			284,430
Unrestricted - Designated			-			-
Restricted			817,700			786,717
			1,126,328			1,071,147



## 9 Analysis of Support costs

	2022			2021		
	Management and admin	Governance	Total	Management and admin	Governance	Total
	£	£	£	£	£	£
Fundraising	60,076	1,333	61,409	53,054	2,024	55,078
Retail	40,050	888	40,938	35,369	1,350	36,719
<b>Costs of Raising Funds</b>	<b>100,126</b>	<b>2,221</b>	<b>102,347</b>	<b>88,423</b>	<b>3,374</b>	<b>91,797</b>
Day Hospice	20,025	3,554	23,579	23,168	5,399	28,567
Hospice at Home	220,277	1,777	222,054	189,046	2,699	191,745
Young people's service	60,076	1,332	61,408	53,054	2,024	55,078
<b>Expenditure on Charitable Activities</b>	<b>300,378</b>	<b>6,663</b>	<b>307,041</b>	<b>265,268</b>	<b>10,122</b>	<b>275,390</b>
<b>Total</b>	<b>400,504</b>	<b>8,884</b>	<b>409,388</b>	<b>353,691</b>	<b>13,496</b>	<b>367,187</b>

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

### Analysis of management and administration costs

	2022	2021
	£	£
Payroll and staff related	289,172	248,333
IT and other overheads	98,677	91,693
Share of hospice premises costs	7,814	8,819
Depreciation	4,841	4,846
<b>Total</b>	<b>400,504</b>	<b>353,691</b>

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

	2022	2021
	£	£
Wages and salaries	1,220,986	1,148,773
Social security costs	105,388	92,266
Pension costs	68,708	65,278
<b>Total</b>	<b>1,395,082</b>	<b>1,306,317</b>

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 56)

Total remuneration paid in respect of key management personnel was £ 290,384 (2020/21: £310,371) which includes employer's National Insurance and Pension contributions. The figure for 2021/22 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, including pension contributions, exceeded £60,000, was:

	2022	2021
£60,000 to £69,999	2	1
£100,000 to £110,000	1	1

## 11 Net Income

Net income is stated after charging :

		2022 £	2021 £
Operating lease rentals:			
	Shops	96,154	116,023
	Equipment	20,479	13,880
Depreciation and profit on disposal			
	Owned Assets	77,827	85,469
Auditors' remuneration		10,000	12,000

## 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 £	Fixtures and Fittings £	Medical Equipment £	Other £	Total £
Cost						
	01/04/2021	2,858,058	319,040	38,968	44,266	3,260,332
	Additions	56,204	8,021	10,068	9,819	84,112
	Disposal	-	-	-	(4,291)	(4,291)
	31/03/2022	2,914,262	327,061	49,036	49,794	3,340,153
Depreciation						
	01/04/2022	820,047	271,503	38,069	33,266	1,162,885
	Charge for the year	54,570	16,555	3,416	4,703	79,244
	Eliminated on disposal	-	-	-	(4,291)	(4,291)
	31/03/2022	874,617	288,058	41,485	33,678	1,237,838
Net book value						
	01/04/2021	2,038,011	47,537	899	11,000	2,097,447
	31/03/2022	2,039,645	39,003	7,551	16,116	2,102,315

## 14 Debtors

	2022 £	2021 £
Prepayments	42,108	50,652
Accrued Income	457,594	1,998
Tax recoverable	60,862	14,352
Other Debtors	252,939	107,133
<b>Total</b>	<b>813,503</b>	<b>174,135</b>



**15 Creditors: amounts falling due within one year**

	2022	2021
	£	£
Trade creditors	42,982	26,845
Taxation and social security	29,522	-
Deferred Income	24,509	20,573
Other creditors and accruals	116,340	111,224
<b>Total</b>	<b>213,353</b>	<b>158,642</b>

Deferred Income relates to income received in advance

**16 Obligations Under leasing Agreements**

		2022			2021		
		Land and Buildings	Plant and Machinery	Total	Land and Buildings	Plant and Machinery	Total
		£	£	£	£	£	£
<b>Expiring</b>							
	Within 1 year	94,500	11,766	106,266	105,007	13,880	118,887
	Between 1 and 5 years	138,688	17,939	156,627	238,229	2,459	240,688
	In more than 5 years	-	532	532	-	-	-
<b>Total</b>		<b>233,188</b>	<b>30,237</b>	<b>263,425</b>	<b>343,236</b>	<b>16,339</b>	<b>359,575</b>

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

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. This funding has been extended to 31st March 2022.

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

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

The Young People's Services Fund was established in 2014 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.



## 18 Unrestricted - designated fund

On 31 March 2021, the Trustees elected to create a designated fund. The Designated Fund represents the value of unrestricted fixed assets used to further the Charity's aims and not readily available for funding hospice expenditure or future deficits.

## 19 Analysis of net assets between funds

	2022			2021				
	Unrestricted Funds	Unrestricted - Designated	Restricted Funds	Total Funds	Unrestricted Funds	Unrestricted - Designated	Restricted Funds	Total Funds
	£	£	£	£	£	£	£	£
Tangible fixed assets	-	1,079,333	1,022,982	2,102,315		1,044,255	1,053,192	2,097,447
Investments	494,819	-	-	494,819				
Current assets	3,288,497	-	52,597	3,341,094		-	137,742	2,903,048
Creditors falling due in less than one year	(211,356)	-	(1,997)	(213,353)		-	-	(158,642)
Total	3,571,960	1,079,333	1,073,582	5,724,875		1,044,255	1,190,934	4,841,853

We are pleased to acknowledge the following support for the services listed. This list does not encompass all our supporters and is limited to those who have donated amounts of £10,000 or above.

We wish to thank all of our supporters for their generosity without which we would be unable to continue to provide our services:

Stratford-upon-Avon Town Trust	Hospice at Home	25,000
BBC Children in Need	Children's Bereavement	34,851
The G J W Turner Trust	Core	10,000
The Rigby Foundation	Hospice at Home	20,000
The Albert Hunt Trust	Core	10,000
The Hospital Saturday Fund	Transitional Care	10,000
The Higgs Charity	Core	20,000
Stratford Upon Avon Convalescent Home	Stratford patients	10,000
Warwick County Council	Children's Bereavement	49,356
Searnus and Carol Halton	Core	50,000

## 20 Related party transactions

There were no related party transactions during the financial year ended 31st March 2022 or in the prior year.

## 21 Investments

	Listed investments	
	2022	2021
	£	£
Market value as at 01 April 2021	-	-
Additions	500,000	-
Unrealised loss in year	(5,181)	-
Market value as at 31 March 2022	<u>494,819</u>	<u>-</u>

100% of the Investment is in the COIF Charities Ethical Investment Fund

All investments are carried at their fair value.

The historical cost of the listed investments was £500,000 at the year end (2021 - £nil).

## 22 Reconciliation of net movements in funds to net cash flow from operating activities

	2022	2021
	£	£
Net movement in funds	883,022	1,449,429
Adjustments:		
Depreciation and loss on disposal	79,244	85,469
Bank interest	(2,787)	-
Add unrealised loss on investments	25,181	-
Decrease/(increase) in stocks	-	1,385
(Increase)/decrease in debtors	(639,368)	(68,563)
(Decrease)/increase in creditors	54,711	(68,170)
Investment property gifted to Hospice	-	(90,000)
Net cash used in operating activities	<u>400,003</u>	<u>1,309,550</u>

## 23 Analysis of cash and cash equivalents

	2022	2021
	£	£
Cash in hand	2,451,496	2,632,818
	<u>2,451,496</u>	<u>2,632,818</u>



## 24 Pension Commitments

### Retirement benefit schemes

The hospice operates three pension schemes for the benefit of its employees. The assets of the pension schemes are held separately from those of the charity in independently administered funds.

#### Scheme one

Certain of the hospice's employees are eligible to join the National Health Service pension scheme. The scheme is a defined benefit multi-employer scheme administered for the benefit of NHS employers, General Practices, and other bodies allowed under the direction of the Secretary of State. The charity is unable to identify its share of the underlying notional assets and liabilities of the scheme, and accordingly has accounted for the scheme as if it was a defined contribution scheme. The employer's contributions to the scheme for the current year were based on a contribution rate of 14.38% of pensionable pay (2021 – 14.38%) with employees contributing at varying rates in accordance with NHS revised contribution rules. The pension cost for the year as included in the Statement of Financial Activities includes contributions payable by the charity to the NHS scheme during the year of £42,450 (2021 – £41,031).

The most recent full actuarial valuation of the NHS pension scheme was as at 31 March 2016, which was undertaken by the government actuary. The notional deficit of the scheme as per this most recent valuation was £19.4bn.

#### Scheme two and three

A defined contribution pension scheme is operated by the Hospice. The pension cost for the year includes contributions payable by the charity to the scheme of £26,258 (2021 – £24,247).

## 25 Other Gains and Losses

	2022	2021
	£	£
Net losses on investments	5,181	-
Reduction in value of property for re-sale	20,000	-
	<u>25,181</u>	<u>-</u>

## 26 Prior Period Adjustment

The Financial statements for the year ended 31st March 2022 included an Investment Property valued at £90,000.

This Property was part of a legacy and was placed on the market soon after ownership passed to the Hospice. In light of this, the property has been re-classified as a current asset in the balance sheet.

## 27 Financial instruments

	2022	2021
	£	£
Carrying amount of financial assets		
Instruments measured at fair value		
through profit or loss	<u>494,819</u>	<u>-</u>
	<u>494,819</u>	<u>-</u>