

East Anglia's Children's Hospices

Report and Accounts

☆ 2020-21 ☆

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each

East Anglia's
Children's Hospices



“

I'm really not sure where we would be today without EACH, from the phone calls checking in on us, to the day care for Libby and fun days for Jake.

They are a part of our life now.

”

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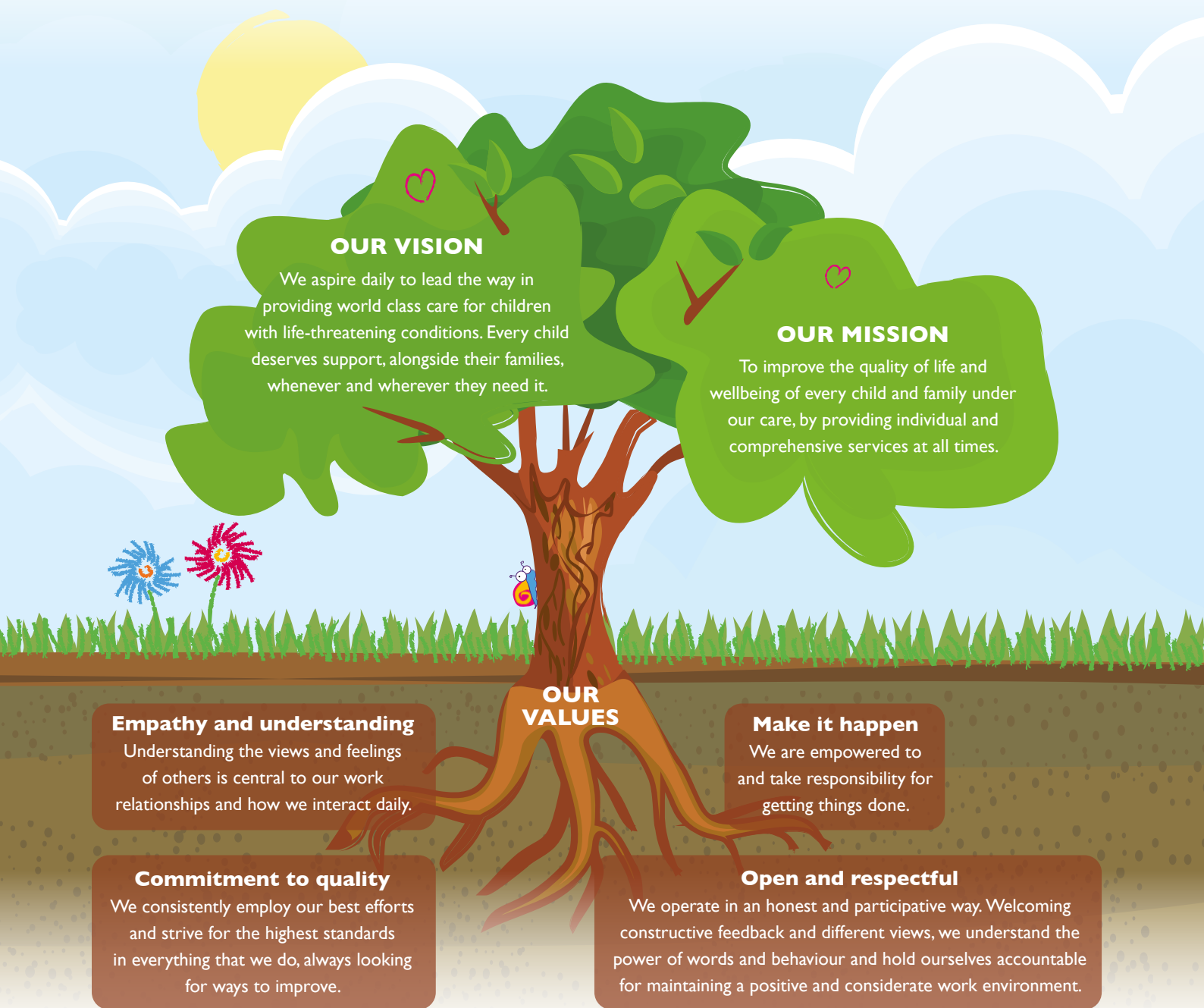
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Company Information

Trustees' Report

Our Vision, Mission and Values



The Difference We Make

EACH cares for babies, children and young people with life-threatening conditions and supports their families. Our family-centred approach includes end of life care, specialist symptom management, short breaks, wellbeing activities, mental health therapies, counselling and volunteer services in the family home, all meeting the individual needs of the child, young person and all the family. For families, including those who have been bereaved, we are able to give them the best in the worst possible situation.



The Difference We Make

Joshua's story...

Joshua Howlett sadly died on Friday 24th April 2015. He had only been born on the Monday of that week, but complications cut parents Philip and Rebekah's time with him to days.

Rebekah said: *"From Josh's birth on the Monday to his death on Friday, I think we were really in shock the whole time. Although completely devastated, it took us a long time to process what had happened. EACH helped us on our journey."*

On the Thursday, EACH Counsellor Michelle joined the family and helped putting Josh's handprints, as well as those of brother Ben, two at the time, on a plate. They also created memory items such as handprints on a plant pot, footprints on a ceramic heart, footprints on a canvas, and hand and foot casts, without which Rebekah would never have discovered Josh had the same wonky toe as hers. The parents now have a handprint in clay for each of their three children, including youngest son James, on display alongside a photo.

Rebekah went on to have counselling sessions for over a year and the family started attending our monthly bereavement group, too.

When lockdown began EACH started speaking to bereaved parents and relatives by phone. Rebekah received calls every two weeks to start with as the anniversary of Josh's birthday and death came around. She would usually talk this through in her support group but said: *"Being able to talk on the phone has given me the support I've needed. I think I have more anxiety as a bereaved parent, but the calls make me feel more confident as a parent."*

Rebekah's mum, Susan, Josh's grandmother, attends a grandparents' bereavement support group at EACH. She added: *"Although we're a small group we do offer and receive support from each other. It's a little bit of 'me' time with like-minded people. It helps me to open up about the loss of Josh. I've received phone calls from EACH, which was quite unexpected at first, but very welcome during lockdown. It was nice to chat with someone from outside the household, lovely to know help is on the end of the phone if needed."*



The Difference We Make

Libby's story...

Three year old Libby Carlin lives with **Bohring-Opitz syndrome**, a rare genetic condition that affects the development of many parts of the body.

Libby needs 24/7 care and is unable to sit, crawl or walk. She is severely delayed, having to have someone watch her at all times to check she is safe. She also needs postural care, is being treated for seizures and is fed through a feeding tube 16 hours a day.

Before the pandemic Libby and her family would attend EACH for hydrotherapy sessions, music groups and overnight stays. Libby's brother, Jake, also enjoyed EACH sibling days.

Mum Kirsty said: "Every part is so important to us, but I feel the day care and overnight stays are the most beneficial for us as a family. It took me a long time to leave Libby in the care of EACH's amazing team, but once we got to know each other and I could see they knew Libby, and Libby was happy, I was able to relax. I had some time for me again, which took a long while to realise I needed. It also gives us time to spend with Jake doing fun activities or just watching a film. A lot of time

has been taken away from him to care for Libby and it's nice to be able to have that one-on-one time with him. Knowing Libby is in safe hands is a weight off my mind.

"I'm really not sure where we would be today without EACH, from the phone calls checking in on us to the day care for Libby and fun days for Jake. They are a part of our life now."

On the last year, Kirsty said shielding Libby for weeks had been "tiring, stressful and emotional", but that phone calls from EACH Care Assistant Anna had made a positive difference.

"Anna has called us a few times and if we've been unable to answer she's always left us a message. She just checks to see how we are, what's been happening and if there's anything she can help us with in any way. Just hearing a familiar voice makes everything seem that little bit better and lets us know we haven't been forgotten."



The Difference We Make

Xanthe's story...

Fourteen year old Xanthe Carter contracted pneumococcal meningitis, a life-threatening infectious disease that causes inflammation of the layers that surround the brain and spinal cord, and affects only one in 6.5 million children, when she was just nine months old. She had a major stroke as a result.

Parents Hugo and Jessie were told Xanthe would not survive, however, she defied the odds. Xanthe has complex medical needs, including chronic epilepsy, and requires 24/7 supervision. She can speak a few words but is mainly non-verbal.

Xanthe has accessed EACH care since she was three years old. Music therapy sessions have been integral in her having a form of communication and connection she can be in charge of, whilst she has also enjoyed short breaks at EACH. As a family, the Carters attend various Christmas events put on by EACH and enjoy Treefest, an annual music festival in the grounds of the hospice, too.

Xanthe's brothers, Milo, 15, and Otto, nine, have both attended EACH sibling days.

Otto said: "When Xanthe goes to the hospice it gives us some time on our own and we can do things my brother and I want with my mum and dad that sometimes Xanthe wouldn't enjoy or want to do. It gives everyone a chance to do their own things as well. Without the hospice things wouldn't be easy because Xanthe wouldn't have her own time to have one-to-one care and do the things she likes."

"I really like the siblings days when we make things to take home. They always have really fun activities. I remember the Easter day when we made lambs from marshmallows, which was really fun. I like to be with my friends who have brothers and sisters like mine. No-one else at school has, so it's good to have friends who understand what it's like sometimes. It's nice to have a special day just for the brothers and sisters, and I feel proud to be a carer for my sister."

Public Benefit Statement

In setting its objectives and planning its activities and services, the Board has given careful consideration to the Charity Commission's guidance on the Public Benefit Requirement under the Charities Act 2011. Access to services is based solely on need and no charges are made to families for any services provided.

The Board considers that the charity meets the two important principles of the public benefit requirement. Pages 4 to 6 detail activities carried out by the charity to further its purpose for public benefit and also provide feedback from families demonstrating the difference the charity's activities made.



Strategic Report

Our Strategic Objectives

Our key strategic objectives, which were revised this year, are to:

- Implement flexible strategies and contingencies, with clearly defined plans for service delivery, people, organisation design, resources and income generation.
- Re-establish all operational delivery embedding, where relevant, learning from the pandemic.
- Re-establish supporter activity, engaging new and lapsed supporters through excellent stewardship and developing innovative fundraising initiatives to grow income.
- Re-establish our retail operations, recover our trading margin and continue to accelerate the growth of e-commerce.
- Maintain a strong public profile, including building awareness around the need for increased statutory funding for children's hospices.
- Develop the Board ensuring all members receive relevant training to carry out their roles and build on their personal leadership skills, and to create a cohesive and effective strategic leadership body to take the charity forward. This will include recruiting a new Chair for the Board.

Our Key Activities

Our Care

In response to the wide-ranging COVID-19 lockdown initiated on 23rd March 2020, the delivery of our care services changed rapidly to ensure the safety of vulnerable children and their families, and to comply with the mandatory stay-at-home guidance.

Whilst emergency and end of life care continued at families' homes and in the hospices, all other face-to-face care and support activities paused. We then effectively relaunched as a 'virtual hospice', delivering wellbeing groups & activities and counselling & therapies using video online platforms, by phone and through activity films shared via the EACH website.

To support the NHS hospital bed capacity and help keep very vulnerable children safe, a small number of children were transferred to the hospices or received their treatment with us at one of our hospices. In addition, the work of the specialist symptom management nursing service meant that 178 hospital admissions and 215 calls to GP services were prevented. This was critical to both families and the NHS at a time when it was at its busiest.

Staff and families adapted incredibly well to the situation we found ourselves in. However, for families, as weeks became months, the toll of the pandemic and resulting lockdowns became more evident. Families talked about

their concerns about who would care for their child if they became ill. They also shared their frustration at not being able to access Personal Protection Equipment (PPE) for their local external community care staff, which meant they were left on their own caring for their child 24 hours a day. Newly bereaved families struggled with not having the funeral they wanted for their child and not being able to be with family and friends at a time they needed them most. Families were feeling isolated and alone.

Whilst we were able to provide support online it was clear we needed to provide more planned short breaks as well as emergency care as soon as it was safe to do so. During the autumn, we were able to start offering this vital element of our service in the hospices and at home, for both day and overnight care.

We also learned that, for some families, having access to online support suits them better than having sessions at the hospice or in their home, and we will be continuing to offer this choice moving forwards.

The events of the past year have not only reminded us of the importance of the services we provide to children and their families, but also how they can easily be forgotten in a system designed to care for the 'many' rather than the 'few', and yet these 'few' children are some of the most vulnerable and have the most complex healthcare needs.

The number of individuals we supported	
Lead child or young person	458
Number of attendees at universal wellbeing groups and activities	756
Children, young people and families who received care at end of life	35
<i>Location of death: home 14; hospice 7; hospital 14</i>	
The sessions of care and support we delivered	
End of life care, short breaks and nursing care:	
• in the community	101
• in hospices overnight	889
• day care sessions in the hospices	200
Number of universal wellbeing groups and events	88
Symptom Management Nursing Service (SMNS) preventables	393
<i>(no. of occasions a GP visit or admission to hospital were avoided for a family due to an SMNS intervention)</i>	

Clinical Training Education and Research

Because of the pandemic's lockdown restrictions, our training programme was adapted significantly. Wherever possible training was delivered online and via e-learning programmes. Face-to-face education and training critical to clinical and non-clinical health and safety was delivered within COVID-secure working guidelines.

The following mandatory training was provided for all care staff:

Resuscitation and Anaphylaxis; Moving and Handling; Infection Control; Safeguarding Children; Safeguarding Adults; Preventing Radicalisation Level 3; Management of Oxygen; Fire Safety; Food Hygiene; Data Security Awareness e-learning.

Over the past 12 months we supported 13 applications from care staff to undertake training at one-day, extended study learning and development activities, and attendance at virtual conferences.

A total of 216 external professionals benefitted from training and education events provided by The East of England Managed Clinical Network (MCN), hosted by EACH.

Care staff had academic work accepted for journals and presentation at national meetings as follows:

- End of Life Discussions. How to do this well. Talking parents through death. C Norman presented at the Northern Ireland ECHO Knowledge Network Meeting.
- Emergency Response End of Life Care Symptom Control Guidance for use in the COVID-19 MCN (April 2020). L Maynard and P Sartori.
- Neonatal Palliative Care and Symptom Management. National Neonatal Network. L Maynard.

Over the past 12 months EACH has participated in the following research:

- Children's Palliative Care Outcome Scale (CPOS) Delphi Study. Kings College, London and Cicely Saunders Institute of Palliative Care.
- The SHARE STUDY: How to Support children with a life-limiting condition and their parents during the COVID-19 outbreak: understanding Experiences, information and support needs, and decision-making - University of Southampton, York University, the Martin House Research Centre, Together for Short Lives, Southampton University Hospital NHS Trust and Leeds Teaching Hospitals NHS Trust.

- Feasibility of a randomised clinical trial of transmucosal diamorphine versus oral morphine for breakthrough pain in children and young people with life-limiting conditions (DIPPER study). Looking at the best needle-free pain medicine for young patients (short title). University College London (UCL).
- Crisis Prevention rather than Crisis Management; the Health of Mothers of Children with a Life-Limiting Condition. York University and the Martin House Research Centre.

Our Income Generation

Over the last year our income generation activities came under severe pressure. Our shops were closed for 30 weeks of the calendar year due to national lockdowns, and the impact on our supporter activity has been dramatic; our events were cancelled for over a year and income, particularly from corporate and community supporters, was significantly impacted.

In the face of these pressures we adapted our ways of fundraising, including online, and had overwhelming public fundraising support. Our thanks go to our loyal supporters who supported EACH throughout a very difficult year. Particular highlights included:

£469,066 was received in voluntary donations in response to our COVID emergency fundraising appeal.

£146,466 was raised from our Celebrity Bottom Drawer Auction with the incredible support of Griff Rhys Jones and many other celebrities across the country.

£61,700 was raised from a fine art auction with the wonderful support of Davina Barber and a wealth of art donations.

£311,131 was raised from our eBay shop which despite the closures within our high street shops still achieved growth of 28% on the previous year.



Charitable Trusts

Every year we receive incredible support from many charitable trusts and foundations, and we really appreciate all those who make the decision to donate to EACH. For our financial year 2020-21, we are especially grateful to the following:

Ben and Jane Du Brow, Cambridgeshire Community Foundation, Colchester Catalyst Charity, Essex Community Foundation, Harry-Krish Mootoosamy Foundation, Harwich and District Fellowship for the Sick, Jessie's Fund, Rugby Group Benevolent Fund, ShareGift, St Lawrence Parish Hall Trust, Tesco Bags of Help, The Alan Boswell Group Charitable Trust, The Albert Hunt Trust, The Company of Actuaries Charitable Trust Fund, The Dudley and Geoffrey Cox Charitable Trust, The Earle & Stuart Charitable Trust, The Ellerdale Trust, The February Foundation, The Fence Club Trust Fund, The John Coates Charitable Trust, The Lady Hind Trust, The Lord Belstead Charitable Trust, The Music Sales Charitable Trust, The Northwick Trust, The Peter Dixon Charitable Trust, The Sir Jules Thorn Charitable Trust, The Spurrell Charitable Trust, The Thompson Family Charitable Trust, The True Colours Trust.

Complaints and concerns in relation to our fundraising activities

Throughout 2020-21, we received a total of 10 complaints relating to fundraising activities. While we take these complaints seriously and are always looking for ways to improve, the number of complaints as a percentage of our activity is exceptionally low.



Our Fundraising Standards

We are registered with the Fundraising Regulator and we are committed to our Fundraising Promise.

The Board of Trustees, our Management Executive and staff are focused and committed to ensuring we build the best possible relationships with our donors, relationships built on trust and respectful fundraising practices.

We strive to ensure giving to charity is the great experience we believe it should be.

We take our responsibilities to our supporters very seriously. With the help of our valued fundraising volunteers, we undertake a diverse range of income generation activities and our fundraising programme includes: Trust fundraising, corporate fundraising with businesses and organisations, community fundraising with individuals and groups, and direct marketing through letter, telephone, face-to-face lottery and direct debit programmes, where we engage the services of partner agencies to gain the best value for money and to ensure reliable high-quality delivery.

We inform our fundraising partners of their obligations to ensure fundraising in our name is conducted to the highest possible standards.

We have developed a range of quality assurance mechanisms to monitor activities undertaken on behalf of EACH, including supporter feedback, complaints ratios and regular activity reviews.

We regularly evaluate our policies and procedures.

Our overarching corporate policy and processes based on best practice identify, respect and protect vulnerable supporters and other members of the public from undue pressure, unreasonable intrusion and unreasonably persistent behaviour in connection with our fundraising activity.

Guidance for fundraising on protecting vulnerable supporters is followed across all our fundraising activities and our fundraising agencies are trained on protecting vulnerable people. This is monitored closely alongside our other policies to ensure we are operating the best fundraising standards.

For full details of our supporter standards, including a link to our Fundraising Promise, visit www.each.org.uk/supporterstandards.

Our People and Volunteers

Our People

EACH has a diverse workforce of 330 employees and 50 bank staff employed across predominantly three hospice locations, 44 retail outlets and a central services team based at Milton, Cambridgeshire.

Staff profiles are a mix of professional care roles; nurses, care assistants, clinical nurse specialists, counsellors, therapists and play specialists. Retail roles include retail store managers, retail assistants and online retail specialists. Professional services roles include finance, human resources, marketing and communications, fundraising and facilities. Career progression across the organisation is encouraged.

Employees work collaboratively and are inspired to be involved and empowered. Feedback is shared via twice-yearly formal appraisal meetings and informally on a regular basis. Employees have been working from home successfully during the pandemic, where possible, and hybrid working will continue as the lockdown restrictions come to an end. In 2021, EACH is working to achieve Investors in People Accreditation.

Our Volunteers

Volunteers are a hugely valuable and integral part of EACH's workforce and complement the work of our employees. EACH benefits from the time donated by over 1,600 volunteers undertaking many varied roles and key activities. This includes practical support in the family home, sibling support, fundraising, events, housekeeping, gardening, maintenance, reception, friends groups, administration and across the EACH shops and our Retail Distribution Centre. We are very fortunate to benefit from the vast experience across our large volunteer base and the experience is very fulfilling for our volunteers.

Our Financial Performance

To provide high quality services for children, young people and families it is essential the charity has sufficient resources to achieve this. No charges are made to those using our services and we are dependent on raising funds through individual giving, fundraising, retail, legacies, charitable trusts and government funding.

Income and Expenditure in 2020-21

Against a backdrop of significant financial uncertainty throughout the year, the charity's accounts are in a positive position at 31st March 2021, with a gain in net income from operational activities of £1,795,227.

As the year began and the pandemic took hold, the charity's financial forecasts suggested there would be a significant deficit by the end of the year. This position changed as the charity reacted to the constantly changing environment and put in place measures to replace lost income, reduce expenditure and take advantage of emergency funding.

Lost income, primarily from closed shops and cancelled fundraising events and activities, were initially replaced with an emergency fundraising appeal. A significant proportion of the retail and fundraising teams were placed on furlough, along with some administration and support roles.

Government grants became available throughout the year to support closed shops and further funding was provided by NHS England, through Hospice UK, to provide additional bed capacity during the pandemic and to provide community support for people with complex healthcare needs.

Total income for the year was £14.3m. Compared to the previous year we saw a decrease of £550k in donations, a decrease in charitable trust income of £292k and a reduction in legacy income of £588k. Legacy income was significantly reduced in 2020-21, however, the pipeline for this income remains robust. As a result of the pandemic, executors have taken longer to convert estates to cash which has impacted the charity's income and cash flow.

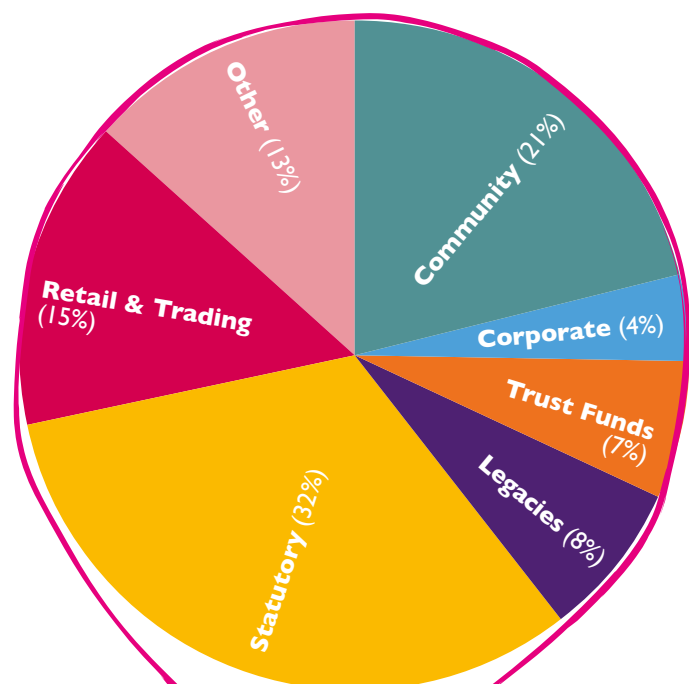
Total expenditure was £12.5m compared to £13.4m in 2019-20. This was due to lower fundraising expenditure of £514k, mainly due to the cancellation of events because of the pandemic, lower retail and trading costs of £251k, resulting from savings made while shops were closed during lockdown, and lower expenditure on charitable activities due mostly to holding vacancies and implementing cost saving measures.

Following a dip in investment income at the end of the previous year, investments have performed well under the management of our investment advisers, with an increase of 23% over the year.

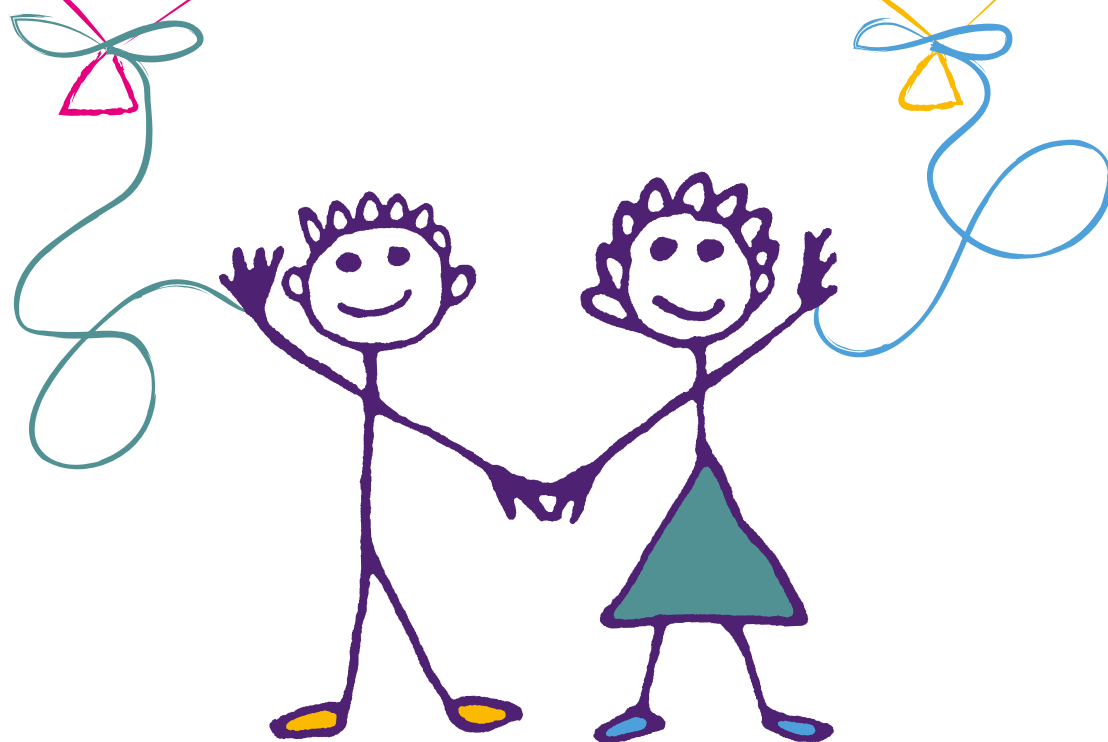
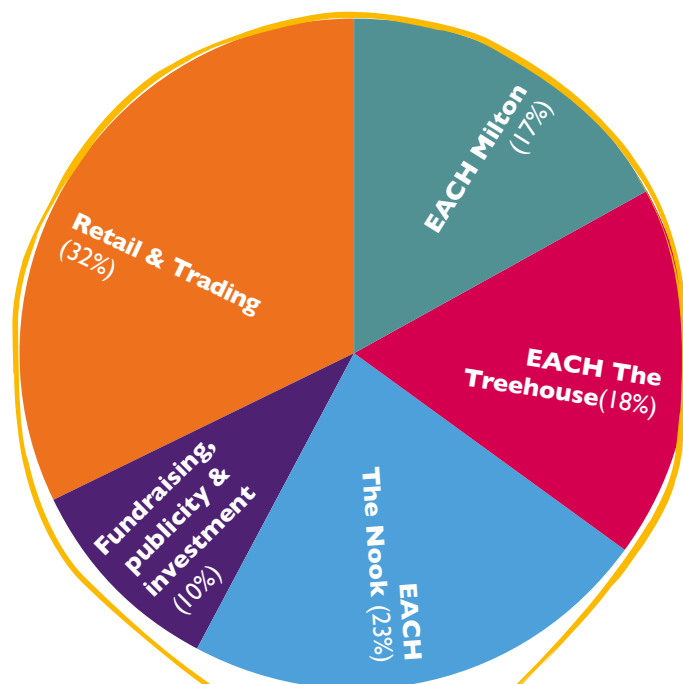
The surplus made in 2020-21 has been transferred into a COVID Recovery Reserve.



Where we receive our income



Where we spend it



Where we receive our income		Where we spend it	
Community	£3,045,805	EACH Milton	£2,131,094
Corporate	£595,389	EACH The Treehouse	£2,278,546
Trusts	£942,885	EACH The Nook	£2,872,566
Legacies	£1,102,611	Fundraising, publicity & investment	£1,244,412
Statutory	£4,598,774	Retail & Trading	£4,013,427
Retail & Trading	£2,168,169	Total	£12,540,045
Other	£1,881,639		
Total	£14,335,272		

Funds and Reserves

In accordance with Charity Commission guidance, EACH Trustees have determined a policy for reserves. The EACH policy requires that:

Restricted Funds must be used for the purpose for which they were intended under the direction of the donor. At the year end the value of Restricted funds was £75k (2020: £0).

Designated Funds should include a capital reserve, funds to cover planned capital expenditure, development projects or other costs and sufficient funds to provide working capital. In addition, Trustees have allocated funds to a designated COVID Recovery Reserve.

- The capital reserve, or funds represented by assets at 31st March 2021 representing the net book value of fixed assets owned by the charity amounted to £17.1m (2020: £17.2m).
- Designated funds for planned capital expenditure at 31st March 2021 were £600k (2020: £400k).
- A COVID Recovery Reserve of £2.5m (2020: £0) has been set aside this year to cover the expected cost of achieving to a balanced budget over the next three years.

Contingency Reserves should be in place to protect the charity from fluctuations in income and expenditure, and ensure sufficient funds are available to deliver high quality services. EACH Trustees have reviewed the charity's requirement for contingency reserves by considering the potential financial impact of:

- Fluctuations in income generation by considering historic trends and projections, and looking at the risks associated with variations in different income streams.
- Reviewing the operational requirement for cash to meet expenditure obligations and considering the minimum level of cover required to ensure that operations are not interrupted.
- Reviewing current risks, particularly those associated with the pandemic.
- Considering the impact of a sudden crisis which might require the charity to close, including calculations for potential redundancy payments, contractual commitments, liabilities and dilapidation costs offset by a prudent estimate for the market value of assets owned.

As a result of this review, EACH Trustees determined that for ongoing operational security the charity should aim to set aside the greater of £4m or four months planned expenditure for the forthcoming year as a contingency reserve.

The contingency reserve at 31st March 2021 was £4.8m (2020: £4m). This is equivalent to four months expenditure planned in 2021-22. The reserves policy is therefore fully funded.

Free Reserves at the year-end amounted to £568k (2020: £1.5m). This is sufficient to cover working capital requirements only.

EACH Funds as at 31st March 2021	Designated	Restricted	Free reserves	Total
Funds represented by assets	17,112,567	-	-	17,112,567
Contingency Reserves	4,835,929	-	-	4,835,929
Planned capital expenditure	600,000	-	-	600,000
Covid Recovery Fund	2,500,000	-	-	2,500,000
Restricted Funds	-	75,026	-	75,026
Free reserves (working capital)	-	-	568,472	568,472
	25,048,496	75,026	568,472	25,691,994

Investment Policy and Performance

The charity's investment policy requires the charity to invest funds in such a manner that the risk profile reflects planned expenditure and future plans. Investment managers are appointed by the Board following a selection procedure. J M Finn currently manages the charity's investments.

The performance benchmark is monitored against a 70% equity : 30% gilts ratio. For the year ending 31st March 2021 the portfolio appreciated by 23.2% against a benchmark return of 17%.

Key Risks and Uncertainties

The Board undertakes continual assessment of the principal risks facing the charity and they are satisfied that adequate controls and procedures are in place to mitigate these risks. The Audit Risk and Compliance Committee is responsible for overseeing the approach to risk across the whole of the charity's activities.

The charity uses a risk management system to assess and report risk at both an operational and strategic level. All risks identified are logged and assessed as raw risks; mitigation and controls are then applied with the aim of reducing risk to an acceptable level.

Risks are scored based on impact and likelihood, and any risk scoring a red RAG rating is reported to the Board through the Board Assurance Framework (BAF). Operational risks are managed by the relevant manager or clinician. The Management Executive reviews the BAF every month and the Board Committees review the strategic risks relevant to them at their quarterly meetings. Trustees also carry out a full review of strategic risks annually.

The key risk areas identified by the Board are:

- The impact of COVID-19 on service delivery, our financial position and the welfare of staff, volunteers and all those connected to the charity.
- The risk of failure to provide care of the required quality resulting in potentially unsafe, ineffective care and/or poor families' experience.
- The risk that EACH cannot fund its charitable objectives and strategic plan.
- The risk that financial resources are adversely affected by external factors.
- The risk of a significant adverse event which could damage reputation, including the potential for social media or online platforms to accelerate adverse publicity.
- The risk of failing to fulfil statutory obligations or failure to comply with applicable legislation.
- The risk that the Board does not have a strategy to deliver the charitable objectives.
- The risk of failure to recruit or retain appropriate staff or that staff motivation is adversely affected.

All the above risks have been reviewed by the Trustees who have accepted the risks and consider that the controls and mitigation in place for each risk area are appropriate.



What we achieved in 2020-21

Our primary objective for 2020-21 was to re-establish our operations and ensure organisational sustainability in the short and longer term and respond to the impact of COVID-19. This was specifically aimed at addressing sustainability of service provision, our workforce and the financial position.

To do this, the following areas of focus were implemented:

1. Re-establish the delivery of our range of services for all families, as soon as it safe to do so, including new and innovative ways of working.

All service elements, except for hydrotherapy, were made available to families albeit it in a different way because of the pandemic. Emergency and end of life care continued throughout. Short breaks were re-established in the hospices and family homes. In line with government guidance, wellbeing support continued to be offered virtually via online video platforms, by phone and through the EACH website

As for many other healthcare and hospice organisations, the recruitment of nurses remained a key challenge. This impacted on our ability to deliver the volume of short breaks we needed to. A priority for the coming year is to implement a range of measures to attract and retain nurses, and to upskill our care assistant workforce to increase the amount of care we can offer.

2. Support our staff to work as effectively as they can through changed ways of working, and by promoting their wellbeing.

Shortly after the first lockdown, a new home working policy was implemented together with the tools and technology required to make it highly effective for employees to work from home.

We issued a weekly communication to all-staff that included an up-to-date COVID-19 information and Q&A document. This continued throughout the year and also included a COVID wellbeing bulletin. We received extremely positive feedback from staff who were grateful to be kept fully informed during such a challenging time.

All EACH workplaces were regularly COVID-19 risk assessed and appropriate PPE and COVID-testing measures implemented.

We enhanced the Employee Assistance Programme offering so rather than just having a signposting service, employees could gain emotional, practical and legal advice and support via the service, as well as virtual face-to-face counselling if needed.

During the year, we furloughed a total of 184 members of staff, 86 of whom were placed on a flexi-furlough basis at different times. All furloughed employees' salaries were topped up to 100% of earnings throughout and they received a weekly staff communication with information and wellbeing documents.

3. Re-establish and support our volunteers as they all return to their valuable roles.

During periods of national lockdown, the vast majority of our volunteers were stood down from their duties. This included hospice-based, Help at Home, fundraising and retail volunteers. The only exception was a small number who were deemed essential to business need.

Regular 'keep-in-touch' postal and email communications were sent to volunteers throughout the year, to let them know we were thinking of them, update them with key EACH news and to offer reassurance. We also took this opportunity to administer annual mandatory training.

As we emerged out of each period of lockdown we carefully returned volunteers to their roles, if they were happy to do so. All members of staff supporting volunteers were provided with a returning checklist, and volunteers were provided with a summary of our COVID-19 measures and refresher training, as required. We also introduced regular testing for hospice-based and Help at Home volunteers.

Although not all volunteers had been able to return to their roles by the end of the year, volunteer numbers were sustained (April 2021: 1,672 (April 2020: 1,660)).

4. To continually evaluate the changing financial landscape, anticipate trends and respond to external influences as they occur, whilst working towards re-establishing financial stability through a balanced budget and restoration of reserves in line with the EACH reserves policy.

Due to the pandemic the necessity to monitor the changing financial landscape was heightened. Multiple forecasts and re-forecasts were carried out and plans put in place to protect resources. An emergency

fundraising appeal was launched and cost reduction measures put in place. The number of fleet cars was reduced, some of our suppliers responded to requests for reductions in costs and many of our landlords kindly suspended rent for all or part of the periods of lockdown.

A budget for 2021-22 has been approved by EACH Trustees which forecasts a deficit of approximately £1m for the coming year. It is anticipated this will be a more difficult year given no additional emergency funding is expected.

Reserves have been designated to cover the deficit without impacting on the charity's contingency reserves, which remains fully funded. It is anticipated it will take more than one year to return to a balanced budget following the impact of the pandemic.

5. Re-establish our retail operation and support our fundraising team to optimise income generation, including in new and different ways.

Due to national lockdowns our shops were closed for a period of 30 weeks during the financial year. Following the first national lockdown all 43 of our shops reopened in July/August 2020, in a phased approach, as we developed new safety measures to ensure a safe but enjoyable shopping experience for our customers.

Against a backdrop of limited customer numbers permissible in our shops and low consumer confidence in high street shopping, we traded at -5.7% like-for-like sales during the open period. Following the lessons learned in our return to trading, we were able to reopen all 43 shops on day one following the second national lockdown and put in place plans to do likewise following the third lockdown.

Due to continued difficult trading levels (pre-COVID), we closed our Stowmarket shop during the year, but prepared to open a new shop in Royston, Hertfordshire.

We continued to grow our eCommerce during the financial period, with our eBay shop growing by 28% on the previous year. We also established a new Amazon shop and launched 'Style with EACH' on the Asos Marketplace platform.

Our fundraising was equally challenged during the financial year; our EACH events were all postponed to 2021 and the majority of our supporter events and activities were cancelled or curtailed.

To compensate for the lost income, we launched a large variety of alternative events and activity including virtual quiz nights, auctions, balloon races, and challenges such as 2.6, EACH Mile Counts and Captain Tom 100.

We were overwhelmed with public support in response to our COVID emergency appeal that raised £469,066 in voluntary donations and our subsequent appeals also performed significantly better than in previous years.

In addition to this public support, the response to emergency grant applications and the generosity and uplift from some of our regular charitable foundations saw our Trust fundraising increase substantially on the previous year. This helped compensate further for the loss in fundraised income.

6. Maintain a strong public profile including an awareness of our care services.

We continued to benefit from a significant amount of media coverage, taking in local, regional and national print, online and broadcast media. Our relationships with all existing and new media contacts strengthened further during the year.

We benefitted from a wealth of coverage from the point of lockdown, with reactive and proactive media engagement around the organisation's response to the pandemic. Notably how we were adapting our service for the benefit of children and families, our ongoing support for staff and volunteers, telling the stories of families using our services, and the financial uncertainty arising from the pandemic and need for continued public support. This contributed significantly towards the awareness of our care services and the need for voluntary income generation.

We were able to positively promote many fundraising and retail campaigns, showcase examples of innovative care delivery and build on the opportunity to raise awareness regionally, nationally and globally (through our Royal Patronage).

In addition to the media, our social media channels were used effectively on a daily basis throughout, gaining increased following across all platforms and maintaining high levels of reach and positive public engagement.



What we want to achieve in 2021-22

- Engage with families, staff, trustees and our external partners to redefine our 3-year strategy.
- Increase the provision of nursing care short breaks for families.
- Develop online delivery of elements of the care model, providing families greater choice and increased access to the support they need.
- Develop and deliver a new EACH website and relevant social media presence.
- Deliver a new People strategy to develop our workforce and achieve Investors in People accreditation.
- Deliver a new Fundraising strategy to develop sustainable income streams.
- Proactively prioritise and engage active and lapsed supporters.
- Leverage our mission and compelling charitable cause to acquire new supporters and uplift existing ones.
- Accelerate the development of new products and fundraising initiatives that are resilient to COVID restrictions.
- Support staff to re-open our retail operation, improve volunteer recruitment, open four new shops, develop the e-commerce champion programmes and reduce costs.
- Monitor and evaluate the charity's financial position and respond flexibly.
- Support Trustees to develop their knowledge of children's palliative care and charity governance through training and close working with the Management Executive.
- Put in place a robust process to recruit a new Chair to the Board of Trustees.

Engagement with Stakeholders and Business Conduct

The Trustees consider they have complied with their duties in section 172 of the Companies Act (2006), by acting in good faith and focusing on the organisation's charitable purpose in the short and long term regarding all stakeholders who interact with the charity. Activities have included:

Children, young people and families

Continued engagement with and seeking feedback on the development of our services from the children, young people and families we provide care and support to. This includes via Family Forums, by e-newsletter, with digital resources, a dedicated Family Zone section on the EACH website, and through face-to-face interaction, text messaging, surveys and printed materials.

Supporters

We are committed to ensuring we build the best possible relationships with our supporters, relationships built on trust and respectful fundraising practices. We have developed a range of quality assurance mechanisms to monitor activities undertaken on behalf of EACH, including supporter feedback, complaints ratios and regular activity reviews. Our policy and processes identify, respect and protect vulnerable supporters and other members of the public from undue pressure, unreasonable intrusion and unreasonably persistent behaviour in connection with our fundraising activity. This is monitored closely alongside our other policies to ensure we are operating the best fundraising standards.

Suppliers

We have strict policies and standard operating procedures in place to ensure we maintain fair and professional relationships with all our suppliers, including to allow and control fair tender process and supplier selection.

Employees

Engagement with staff included responding proactively to employee survey data, and valuing and promoting high quality internal communications. We responded promptly to the safe working requirements and communications required as a result of the pandemic. This included ensuring all employees and volunteers had access to support from colleagues and were regularly communicated with on a one-to-one basis and/or via print and digital communications. Equipment, including PPE, was provided where needed.

High standards of business conduct

Trustees receive high quality management information and are supported in their decision-making processes to enable them to lead on developing the organisation's long-term strategy. Our activities are highly regulated, and we maintain the highest levels of business conduct with effective internal controls. All three of our hospices are rated as 'Outstanding' by the Care Quality Commission (CQC). During the year, the CQC also carried out their transitional monitoring arrangements assessment and there were no concerns raised. There is effective monitoring of income and expenditure, with regular reporting at all levels up to and including the Board. Clear terms of reference exist for our Board and its various committees, with reviews of Board effectiveness and a policy on Board rotation. All our work is underpinned by our organisational values of Empathy and Understanding, Open and Respectful, Make it Happen and Commitment to Quality.



Our Royal Patron, HRH The Duchess of Cambridge, visiting The Nook as part of Children's Hospice Week 2020.

The Duchess helped families plant a patio garden, including a special sunflower in memory of nine-year-old Fraser Delf.

Impact on the environment

Trustees consider the impact on the local community in which the charity operates, and the environmental impact of activities. This has included further developing our work on reducing the environmental impact of the charity and putting in place energy saving measures at many locations.

Energy efficiency actions

We are committed to responsible energy management and will practise energy efficiency throughout our organisation, wherever it is cost effective. We recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions.

We implemented the following policies which increased energy efficiency in the financial year.

- Site rationalisation:
 - Closure of the Milton office; staff relocated to a hospice site.

- Closure of the Ipswich fundraising office; staff relocated to a hospice site.
- Hydrotherapy pools turned off during periods of low utilisation.
- Hybrid working practises adopted; combination of home and office working.
- Travel minimised by extensive use of video conferencing for meetings.
- Some care services delivered virtually thereby significantly reducing travel.

Methodology used in the calculation of disclosures

SECR methodology as specified in 'Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting and greenhouse gas reporting' used in conjunction with Government GHG reporting conversion factors.

Statement of Carbon Emissions in Compliance with Streamlined Energy and Carbon Reporting (SECR)	April 19 – March 20	April 20 – March 21	% difference
Total energy use covering electricity, gas, other fuels and transport (kWh)	2,886,596	2,048,631	-29.03%
Total emissions generated through combustion of gas (tCO ₂ e)	188.67	73.52	-8.03%
Total emissions generated through use of purchased electricity (tCO ₂ e)	287.97	201.58	-30.00%
Total emissions generated through use of other fuels (tCO ₂ e)	-	-	-
Total emissions generated through business travel (tCO ₂ e)	204.15	64.93	-68.19%
Total gross emissions (tCO ₂ e)	680.79	440.03	-35.36%
Intensity ratio - total gross emissions (kgCO ₂ per sqft)	3.98	2.96	-25.63%
Intensity ratio - transport emissions (kgCO ₂ per mile)	0.30	0.32	+6.67%

Covering energy use and associated greenhouse gas emissions relating to gas, electricity and transport, intensity ratios and information relating to energy efficiency actions.

Small increase in transport intensity ratio was due to increased proportion of miles travelled by transit van type vehicles.

Trustees' responsibilities statement – charitable company

Statement of Directors' Responsibilities

The Trustees (who are also directors of East Anglia's Children's Hospices for the purposes of company law) are responsible for preparing the Trustees' Annual Report [(including the Strategic Report)] and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

In so far as the Trustees are aware:

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

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

Auditors

The Board recommends to the AGM that Price Bailey LLP should continue to be engaged as auditors for the forthcoming financial year.

BY ORDER OF THE BOARD

Ruth Kiani

Secretary

Date: 29th July 2021

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

	Note	General £	Designated £	Restricted £	2021 Total Funds £	2020 Total Funds £
Income:						
Donations and legacies:						
Donations		3,577,010	-	64,184	3,641,194	4,191,026
Trust Income		763,353	-	179,532	942,885	1,235,301
Legacies		831,191	-	271,420	1,102,611	1,690,689
Income from charitable activities	1	5,171,554	-	515,136	5,686,690	7,117,016
Income from retail and other trading activities	1	2,621,711	-	1,977,063	4,598,774	2,370,660
Investment income	10	2,168,169	-	-	2,168,169	4,896,877
Other income	1	100,582	-	-	100,582	129,120
	1	1,781,057	-	-	1,781,057	753,623
Total Income		11,843,073	-	2,492,199	14,335,272	15,267,296
Expenditure:						
Cost of raising voluntary income						
Fundraising	2	1,223,627	-	510	1,224,137	1,738,110
Costs of goods sold and retail costs	2	4,013,427	-	-	4,013,427	4,263,969
Investment management costs	2	20,275	-	-	20,275	19,641
		5,257,329	-	510	5,257,839	6,021,720
Expenditure on charitable activities	2	4,114,751	700,792	2,466,663	7,282,206	7,409,472
Total expenditure	2	9,372,080	700,792	2,467,173	12,540,045	13,431,192
Net income from operational activities for the year		2,470,993	(700,792)	25,026	1,795,227	1,836,104
Net gains/(losses) on investments		742,168	-	-	742,168	(299,989)
Net income for the year		3,213,161	(700,792)	25,026	2,537,395	1,536,115
Transfers between funds	19	(4,167,712)	4,117,712	50,000	-	-
Net movement in funds		(954,551)	3,416,920	75,026	2,537,395	1,536,115
Reconciliation of funds:						
Total funds brought forward		1,523,023	21,631,576	-	23,154,599	21,618,484
Total funds carried forward		568,472	25,048,496	75,026	25,691,994	23,154,599

All amounts relate to continuing activities of the group.

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

The notes to the accounts are shown on pages **25 - 43**

Consolidated and Charity Balance Sheet as at 31st March 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Fixed assets					
Tangible assets	9	17,112,567	17,231,576	17,112,567	17,231,576
Investments	10	4,321,649	3,505,028	4,321,649	3,505,028
		21,434,216	20,736,604	21,434,216	20,736,604
Current assets					
Stock		18,909	6,825	-	-
Debtors	15	2,990,740	2,655,059	3,009,257	2,652,281
Cash		2,641,109	1,305,660	2,630,805	1,299,347
		5,650,758	3,967,544	5,640,062	3,951,628
Liabilities					
Creditors due within one year	16	(1,392,980)	(1,549,549)	(1,382,285)	(1,533,634)
Net current assets		4,257,778	2,417,995	4,257,777	2,417,994
Total net assets		25,691,994	23,154,599	25,691,993	23,154,598
The funds of the charity:					
Restricted income funds	19	75,026	-	75,026	-
Designated funds	19	7,935,929	4,400,000	7,935,929	4,400,000
General funds	19	568,472	1,523,023	568,471	1,523,022
Capital Reserve	19	17,112,567	17,231,576	17,112,567	17,231,576
Total unrestricted		25,616,968	23,154,599	25,616,967	23,154,598
Total funds	19	25,691,994	23,154,599	25,691,993	23,154,598

Approved by the Board of Directors and signed and authorised for issue on their behalf by:

John Pickering

Chair

29th July 2021

East Anglia's Children's Hospices

Charity Number: 1069284, Company Number 03550187

Registered in England & Wales in the United Kingdom

The notes to the accounts are shown on pages **25 - 43**

Consolidated Cash Flow statement for the year ended 31st March 2021

	Notes	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
Cash flows from operating activities:	23	1,892,893	546,388	1,888,902	574,553
Cash flows from investing activities:					
Dividends, interest and rents from investments		98,760	124,313	98,760	124,313
Proceeds from sale of property, plant and equipment		154,038	66,056	154,038	66,056
Purchase of property, plant and equipment	9	(735,790)	(2,688,812)	(735,790)	(2,688,812)
Proceeds from sale of investments		808,999	560,494	808,999	560,494
Purchase of investments	10	(1,139,214)	(424,248)	(1,139,214)	(424,248)
Net cash used investing activities		(813,207)	(2,362,197)	(813,207)	(2,362,197)
Change in cash and cash equivalents in the reporting period		1,079,686	(1,815,809)	1,075,695	(1,787,644)
Cash and cash equivalents at the beginning of the reporting period	24/25	1,617,293	3,433,102	1,610,980	3,398,624
Cash and cash equivalents at the end of the reporting period	24/25	2,696,979	1,617,293	2,686,675	1,610,980

The notes to the accounts are shown on pages **25 - 43**

Notes to the Financial Statements for the year ended 31st March 2021

1. Income

Income from Charitable Activities	2021 £	2020 £
Community and hospice-based service delivered from EACH Milton	1,463,608	736,500
Community and hospice-based service delivered from EACH The Nook	1,878,267	1,108,604
Community and hospice-based service delivered from EACH The Treehouse	1,256,899	525,556
	4,598,774	2,370,660
Statutory Funds Received for Charitable Activities	2021 £	2020 £
NHS England Children's Palliative Care Grant	967,798	837,871
NHSE Covid Funding	1,977,063	-
Block funding from Clinical Commissioning Groups and County Councils	1,319,703	1,157,978
Continuing Care Funding	334,210	374,811
	4,598,774	2,370,660
<p>All income from charitable activities in both the current and previous year relate to statutory income for provision of services as detailed above.</p> <p>During the year the charity received a children's palliative care grant directly from NHS England. The total awarded amounted to £967,798 (2020 £837,871). The full amount of the grant was spent during the year.</p> <p>NHS England also awarded funding to allow the hospice to make bed capacity and community support available from April 2020 to July 2020, to provide support for 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. This amounted to £1,977,063 (2020: £0)</p>		
Income from retail and other trading activities	2021 £	2020 £
Charity Shop Sales	2,066,195	4,764,613
Other Income (includes grants received from the Coronavirus Job Support Scheme)	101,974	132,264
	2,168,169	4,896,877

2. Analysis of expenditure

	2021			2020		
	Direct costs £	Support costs £	Total costs £	Direct costs £	Support costs £	Total costs £
Raising funds						
Fundraising and publicity	1,058,215	165,922	1,224,137	1,555,290	182,820	1,738,110
Retail and trading	3,561,386	452,041	4,013,427	3,799,602	464,367	4,263,969
Investment management	20,275	-	20,275	19,641	-	19,641
	4,639,876	617,963	5,257,839	5,374,533	647,187	6,021,720
Charitable activities						
Community and hospice-based service delivered from:						
EACH Milton	1,918,081	213,013	2,131,094	2,296,744	297,162	2,593,906
EACH The Nook	2,573,479	299,087	2,872,566	2,164,215	182,238	2,346,453
EACH The Treehouse	2,049,370	229,176	2,278,546	2,189,476	279,637	2,469,113
	6,540,930	741,276	7,282,206	6,650,435	759,037	7,409,472
Total	11,180,806	1,359,239	12,540,045	12,024,968	1,406,224	13,431,192

3. Analysis of support costs

Support costs 2021	Management & Admin £	Human Resources £	IT Systems £	Finance £	Governance £	Total £
Cost of generating voluntary income	90,644	7,256	64,518	1,811	1,693	165,922
Trading: costs of goods sold and other costs	290,791	19,699	116,696	19,838	5,017	452,041
	381,435	26,955	181,214	21,649	6,710	617,963
Milton service	135,003	10,489	62,478	2,384	2,659	213,013
The Nook service	194,816	15,204	76,715	8,505	3,847	299,087
The Treehouse service	156,051	12,045	55,244	2,759	3,077	229,176
Charitable activities	485,870	37,738	194,437	13,648	9,583	741,276
Total support costs	867,305	64,693	375,651	35,297	16,293	1,359,239

Support costs are apportioned on the basis of staff costs.

Governance costs comprise of audit fees and accountancy fees £16,293 (2020: £17,456)

Support costs 2020	Management & Admin £	Human Resources £	IT Systems £	Finance £	Governance £	Total £
Cost of generating voluntary income	104,653	11,772	60,561	3,779	2,055	182,820
Trading: costs of goods sold and other costs	281,379	29,681	102,276	35,532	5,499	454,367
	386,032	41,453	162,837	39,311	7,554	637,187
Milton service	198,014	20,164	68,012	7,108	3,864	297,162
The Nook service	117,563	14,405	40,469	7,517	2,284	182,238
The Treehouse service	192,463	21,428	55,085	6,907	3,754	279,637
Charitable activities	508,040	55,997	163,566	21,532	9,902	759,037
Total support costs	894,072	97,450	326,403	60,843	17,456	1,396,224

4. Analysis of staff costs

Staff costs	2021 £	2020 £
Wages and salaries	7,483,477	7,925,912
National Insurance	651,368	693,083
Pension costs	536,347	564,684
Total staff costs	8,671,192	9,183,679

The charity Trustees were not paid and did not receive any other benefits from employment with the charity or its subsidiaries in the year. Expenses paid to Trustees is detailed in note **22**

During the year a termination payment was made to one member of staff at a cost of £9,684 (2020: seven members of staff at £79,349). This was approved by the Board of Trustees.

5. Staff

Staff full-time equivalents and headcount	2021		2020	
	Headcount	Full-Time Equivalent	Headcount	Full-Time Equivalent
The average number of staff employed in the year were:				
Direct charitable services	178	154	169	142
Fundraising services	25	24	28	27
Retail	123	87	104	79
Support services	36	30	36	29
Total staff	362	295	337	277

6. Key management personnel and higher paid employees

The key management personnel comprise of the trustees and the management executive who are the; Chief Executive, and the Directors of; Care, Retail, People, Fundraising and Finance.

Key management personnel	2021 £	2020 £
Employee benefits of key management personnel		
Salary	312,539	289,460
Employers Pension Contribution	16,294	25,560
Employers National Insurance payments	38,698	35,183

The number of employees whose total employee benefits excluding pension contributions earning over £60,000, classified within bands of £10,000 is as follows:

Higher paid employee salary bands and pension	2021 £	2020 £
£60,000-£69,999	1	-
£70,000-£79,999	2	2
£80,000-£89,999	2	2
£90,000-£99,999	-	1
Pension contribution of higher paid employees	53,582	24,780

7. Pension cost

The charity operates a 'group personal pension plan'. The assets of the scheme are held separately from those of the charity in an independently administered fund. In addition, the charity made contribution to the NHS pension scheme in respect of certain employees. Whilst the NHS scheme is a defined benefit scheme, it is a multi-employer scheme for which the charity'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. The charity's contribution to these schemes are therefore charged to the statement of financial activity when due.

At 31st March 2021 £76,449 (2020: £83,564) in pension contributions was due to be paid to pension providers.

Pension scheme contributions	2021 £	2020 £
Total pension scheme contributions:	536,347	564,684
Pension contribution included in creditors:	76,449	83,565

8. Net income

Net income	2021 £	2020 £
Net income is stated after charging:		
Depreciation	815,402	682,634
Auditors' remuneration:		
- for audit services	16,250	15,750
- for other services	750	1,706
(Loss) on disposal of fixed assets	(17,946)	(6,645)
Operating lease rentals	26,480	35,640
Operating leases for property	756,455	931,934

9. Tangible Fixed Assets, Group and Charity

Group and charity fixed assets	Leasehold Property £	Freehold Property £	Property held for Investment £	Equipment & Vehicles £	Total £
Cost					
At start of year	3,398,084	13,947,783	-	3,945,001	21,290,868
Additions	23,415	112,285	375,000	225,090	735,790
Disposals	(21,450)	-		(114,642)	(136,092)
At end of year	3,400,049	14,060,068	375,000	4,055,449	21,890,566
Depreciation					
At start of year	184,709	1,482,923	-	2,391,661	4,059,293
Charge for the year	77,107	276,056	-	462,239	815,402
Eliminated on disposal	(17,914)	-	-	(78,782)	(96,696)
At end of year	243,902	1,758,979	-	2,775,118	4,777,999
Net book value at the end of the year	3,156,147	12,301,089	375,000	1,280,331	17,112,567
Net book value at the start of the year	3,213,375	12,464,860	-	1,553,340	17,231,575

Property held for investment includes:

- A bungalow in Needham Market donated as a gift in kind valued by Hamilton Smith at £375,000 confirmed by S119 report by M J Sargeantson of Fenn Wright.

10. Investments, Group and Charity

Investment movements	2021 Market Value £	2020 Market Value £
Market value at beginning of year	3,193,395	3,629,631
Additions at cost	1,139,214	424,247
Disposals at opening book value	(752,103)	(539,831)
Unrealised gains/(losses) on revaluation	685,273	(320,652)
Market value at end of year	4,265,779	3,193,395
Cash held on investments portfolio	55,870	311,633
Total portfolio market value including cash	4,321,649	3,505,028

Investment categories	2021		2020	
	Cost £	Market Value £	Cost £	Market Value £
Equity Funds and Overseas Equities	949,538	1,677,946	613,723	889,423
UK Equities	885,241	1,156,151	939,050	1,019,997
Alternatives	751,874	850,210	706,831	762,796
Fixed Income	575,984	581,472	570,093	521,179
Cash held on investments portfolio	55,870	55,870	311,633	311,633
	3,218,507	4,321,649	3,141,330	3,505,028

Investment income	2021 £	2020 £
Investment income from listed investments	98,760	124,313
Bank interest for the year	1,822	4,807

11. Financial Performance of the Charity

The consolidated statement of financial activities includes the results of the charity's wholly-owned trading subsidiaries EACH (Trading) Limited and Stable Trading Ltd. The summary performance of the charity alone is as follows:

East Anglia's Children's Hospices Charity No. 1069284, Company No. 03550187 Registered in UK	2021 £	2020 £
Income	14,268,567	15,197,949
Gift Aid from trading subsidiary	66,704	70,845
Total expenditure	(12,540,044)	(13,432,690)
Investment gain/(loss)	742,168	(299,989)
Net income	2,537,395	1,536,115
Total funds brought forward	23,154,598	21,618,483
Total funds carried forward	25,691,983	23,154,598
Represented by:		
Restricted funds	75,026	-
Unrestricted funds:		
Designated funds	7,935,929	4,400,000
General funds	568,471	1,523,022
Capital reserve	17,112,567	17,231,576
	25,691,993	23,154,598

12. Financial Performance of the Trading Subsidiary

East Anglia's Children's Hospices (Trading) Ltd is wholly-owned by East Anglia's Children's Hospices. The subsidiary's main purpose is to sell goods to raise funds for the charity. Profits are gift aided to the charity under a deed of covenant. The charity holds 1 share of £1 in its wholly-owned trading subsidiary company East Anglia's Children's Hospices (Trading) Ltd which is incorporated in the United Kingdom. These are the only shares allotted, called up and fully paid. The activities and results of this company are summarised as follows:

East Anglia's Children's Hospices (Trading) Ltd Company No. 09155768, Registered in UK	2021 £	2020 £
Turnover	101,409	105,069
Cost of sales	(34,535)	(34,054)
Gross profit	66,874	71,015
Operating expenses	(170)	(170)
Profit on ordinary activities	66,704	70,845
Gift Aid donated to the charity	(66,704)	(70,845)
Profit for the financial year being the retained profit for the year	-	-
Balance Sheet		
Assets	43,616	34,846
Liabilities	(43,615)	(34,845)
Net Assets	1	1
Represented by:		
Reserves	1	1
	1	1

13. Trading Subsidiary - Stable Trading Limited

(company no 02593818 UK registered)

Stable Trading Limited is a company limited by guarantee which is under the control of the directors of East Anglia's Children's Hospices. The subsidiary's main purpose was to sell goods to raise funds for the charity. In 2014 the subsidiary's activities were transferred to the charity. There are no results or activities to report for this company. The company is dormant.

14. Subsidiary - Children's Hospice for the Eastern Region (CHER)

(company no 02776381, UK registered)

The Children's Hospice for the Eastern Region is a dormant company wholly-owned by East Anglia's Children's Hospices. There are no results or activities to report for this company. The company is dormant.

15. Debtors and contingent assets

Debtors	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade debtors	462,835	123,680	450,232	103,772
Amount owed by group companies	-	-	31,120	17,130
Taxation recoverable	198,095	228,993	198,095	228,993
Prepayments	403,957	425,378	403,957	425,378
Accrued income	1,832,214	1,854,112	1,832,214	1,854,112
Other debtors	93,639	22,896	93,639	22,896
	2,990,740	2,655,059	3,009,257	2,652,281

Accrued income includes the value of land bequeathed to EACH in Needham Market which has been valued by M J Sargeantson of Fenn Wright at £278,500

Contingent Assets	2021 £	2020 £
Legacies, estimate of value of legacies being held by executors	1,457,773	1,293,546
Insurance claim in negotiation	300,000	-

Notified legacies are recognised as accrued income when their value is known with a degree of certainty. Where legacies have been notified but their value remains uncertain they are treated as contingent assets. At the balance sheet date contingent legacy assets are estimated to be as below.

An insurance claim was made during the year under Business Interruption Cover relating to the Pandemic lockdown. An interim payment was received for £250k which was recognised in the year. Negotiations are still in progress with insurers regarding a further £300k claimed but not paid.

16. Creditors: amounts falling due within one year

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Trade creditors	157,599	505,607	159,399	507,187
Taxation and social security	164,871	171,308	164,871	171,308
Other creditors	153,490	98,767	150,996	96,273
Accruals	584,704	447,593	584,704	447,593
Deferred income	239,415	132,666	229,414	117,665
Provisions	92,901	193,608	92,901	193,608
	1,392,980	1,549,549	1,382,285	1,533,634

17. Financial commitments under non-cancellable operating leases

	2021		2020	
	Land & Buildings £	Other £	Land & Buildings £	Other £
Leases expiring:				
Within 1 year	739,691	26,043	775,416	33,346
In 2-5 years	1,015,075	84,853	1,498,887	100,560
Over 5 years	-	24,388	-	43,684
	1,754,766	135,284	2,274,303	177,590

18. Capital commitments

	2021 £	2020 £
At 31st March 2021 the charity had no capital commitments (2020: there was £139,011 of capital commitments contracted for but not provided for in these financial statements).	-	139,011
	-	139,011

19. Statement of Funds

Statement of funds 2021	Balance at 31/3/2020 £	Income £	Expenditure & Gains £	Transfers £	Balance at 31/3/2021 £
General funds	1,523,023	11,843,073	(8,611,998)	(4,185,626)	568,472
Designated funds - revenue					
Covid recovery fund	-	-	-	2,500,000	2,500,000
Reserves policy	4,000,000	-	-	835,929	4,835,929
Capital expenditure	400,000	-	-	200,000	600,000
	4,400,000	-	-	3,535,929	7,935,929
Designated funds - capital					
Land and buildings	15,678,235	-	(335,249)	489,250	15,832,236
Other fixed assets	1,553,341	-	(383,457)	110,447	1,280,331
	17,231,576	-	(718,706)	599,697	17,112,567
Total Designated Funds	21,631,576	-	(718,706)	4,135,626	25,048,496
Restricted funds					
Art and Play	-	1,470	(1,470)	-	-
Care	-	98,563	(98,563)	-	-
Complementary therapy	-	377	-	-	377
Computer equipment	-	6,500	(6,500)	-	-
Fundraising	-	510	(510)	-	-
Milton hub equipment	-	8,442	-	-	8,442
Milton service	-	74,807	(74,732)	-	75
Music therapy	-	5,600	(5,600)	-	-
NHSE Covid funding via HUK	-	1,977,063	(1,977,063)	-	-
The Nook build	-	1,000	(1,000)	-	-
The Nook grounds	-	2,000	-	50,000	52,000
The Nook service	-	136,145	(136,120)	-	25
Nursing kits	-	3,257	-	-	3,257
Protective equipment	-	5,062	(5,062)	-	-
Sound cradle	-	2,100	(2,100)	-	-
Staff fund	-	100	(50)	-	50
Syringe drivers	-	10,800	-	-	10,800
The Treehouse service	-	158,403	(158,403)	-	-
	-	2,492,199	(2,467,173)	50,000	75,026
Total funds	23,154,599	14,335,272	(11,797,877)	-	25,691,994

Restricted Funds

Revenue restricted funds are allocated against expenditure as it is incurred.

Designated Funds

Designated funds comprise of capital and other designated funds, the capital fund is a designated fund set aside by directors and represents the net book value of fixed assets. EACH Trustees consider it to be prudent to set aside designated funds to cover all fixed assets.

General Funds

The general fund includes £1 (2020 £1) retained in the reserves of the subsidiary company.

20. Statement of Funds Prior Year

Statement of funds 2020	Balance at 31/3/2019 £	Income £	Expenditure & Gains £	Transfers £	Balance at 31/3/2020 £
General funds	9,055	13,071,262	(12,959,260)	1,401,966	1,523,023
Designated funds general					
Development fund	1,400,000	-	-	(1,400,000)	-
Reserves policy	3,580,000	-	-	420,000	4,000,000
Planned capital expenditure	540,180	-	-	(140,180)	400,000
Building maintenance	-	-	-	-	-
The Nook fund designated	843,734	-	-	(843,734)	-
	6,363,914	-	-	(1,963,914)	4,400,000
Designated funds - capital					
Land and buildings	14,231,298	-	-	1,446,937	15,678,235
Other fixed assets	1,000,745	-	-	552,596	1,553,341
	15,232,043	-	-	1,999,533	17,231,576
Restricted funds					
The Nook	13,472	1,558,572	(146,459)	(1,425,585)	-
Fundraising costs	-	30,055	(30,055)	-	-
Norfolk care	-	335,210	(335,210)	-	-
Colchester care	-	6,500	(6,500)	-	-
Cambridgeshire care	-	33,541	(33,541)	-	-
Treefest	-	700	(700)	-	-
Wheelchair vehicle	-	12,000	-	(12,000)	-
Hospice care	-	3,500	(3,500)	-	-
Nurse equipment	-	1,000	(1,000)	-	-
Research	-	-	-	-	-
Milton hospice	-	28,000	(28,000)	-	-
Pantomime	-	1,900	(1,900)	-	-
Suffolk care	-	165,082	(165,082)	-	-
Art therapy	-	7,385	(7,385)	-	-
Counselling	-	170	(170)	-	-
Music therapy	-	9,419	(9,419)	-	-
Help at home	-	3,000	(3,000)	-	-
	13,472	2,196,034	(771,921)	(1,437,585)	-
Total funds	21,618,484	15,267,296	(13,731,181)	-	23,154,599

21. Net Assets by Funds

Net Assets 2021	General funds £	Designated funds £	Capital Reserve £	Restricted funds £	Total funds £
Tangible fixed assets	-	-	17,112,567	-	17,112,567
Investments	-	4,321,649	-	-	4,321,649
Current assets	1,961,452	3,614,280	-	75,026	5,650,758
Creditors falling due in less than one year	(1,392,980)	-	-	-	(1,392,980)
	568,472	7,935,929	17,112,567	75,026	25,691,994
Net Assets 2020	General funds £	Designated funds £	Capital Reserve £	Restricted funds £	Total funds £
Tangible fixed assets	-	-	17,231,576	-	17,231,576
Investments	-	3,505,028	-	-	3,505,028
Current assets	3,072,572	894,972	-	-	3,967,544
Creditors falling due in less than one year	(1,549,549)	-	-	-	(1,549,549)
	1,523,023	4,400,000	17,231,576	-	23,154,599

22. Related party transactions

	2021 £	2020 £
Balance due at 31st March from EACH (Trading) Ltd to EACH	31,120	17,130
Donations made by Directors and Key Staff	6,125	49,964
Travel expenses waived by Directors and Key Staff	735	2,656

East Anglia's Children's Hospices has three wholly-owned subsidiaries; Stable Trading Ltd, East Anglia's Children's Hospices (Trading) Limited (EACH (Trading) Ltd), and The Children's Hospice for the Eastern Region (CHER). CHER and Stable Trading Ltd are dormant companies with no assets or liabilities. EACH (Trading) Gift Aids its profits to EACH under a deed of covenant arrangement.

East Anglia's Children's Hospices is controlled by its directors.

23. Reconciliation of net income/expenditure to net cashflow from operating activities

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Net income for the reporting period (as per the Statement of Financial Activities)	2,537,395	1,536,115	2,537,395	1,536,115
Depreciation charges	815,402	682,634	815,402	682,634
(Losses)/gains on investments	(742,168)	299,989	(742,168)	299,989
Dividends, interest and rents from investments	(98,760)	(124,313)	(98,760)	(124,313)
(Profit) on the sale of fixed assets	(114,642)	(59,410)	(114,642)	(59,410)
(Increase)/decrease in stocks	(12,084)	5,530	-	-
Decrease/(increase) in debtors	(335,681)	(1,009,761)	(356,976)	(982,787)
(Decrease) in creditors	(156,569)	(784,396)	(151,349)	(777,675)
Net cash provided by operating activities	1,892,893	546,388	1,888,902	574,553

24. Analysis of cash and cash equivalents

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Cash in hand	2,641,109	1,305,660	2,630,805	1,299,347
Cash held as part of the investment portfolio	55,870	311,633	55,870	311,633
Total cash and cash equivalents	2,696,979	1,617,293	2,686,675	1,610,980

25. Net debt reconciliation

	At 1/4/2020 £	Cash movement £	At 31/3/2021 £
Group			
Cash at bank and in hand	1,305,660	1,335,450	2,641,109
Cash held as part of investment portfolio	311,633	(255,763)	55,870
	1,617,293	1,079,687	2,696,979
Charity			
Cash at bank and in hand	1,299,347	1,331,458	2,630,805
Cash held as part of investment portfolio	311,633	(255,763)	55,870
	1,610,980	1,075,695	2,686,675

26. Prior Year Consolidated Statement of Financial Activities

Statement of Financial Activities (incorporating an income and expenditure account) for the financial year to 31st March 2020	General £	Designated £	Restricted £	2020 Total Funds £
Income:				
Donations and legacies				
Donations	1,994,992	-	2,196,034	4,191,026
Trust income	1,235,301	-	-	1,235,301
Legacies	1,690,689	-	-	1,690,689
	4,920,982	-	2,196,034	7,117,016
Income from charitable activities	2,370,660	-	-	2,370,660
Income from retail and other trading activities	4,896,877	-	-	4,896,877
Investment income	129,120	-	-	129,120
Other income	753,623	-	-	753,623
Total Income	13,071,262	-	2,196,034	15,267,296
Expenditure:				
Cost of raising voluntary income				
Fundraising	1,708,055	-	30,055	1,738,110
Costs of goods sold and retail costs	4,263,969	-	-	4,263,969
Investment management costs	(722,225)	-	741,866	19,641
	5,249,799	-	771,921	6,021,720
Expenditure on charitable activities	7,409,472	-	-	7,409,472
Total expenditure	12,659,271	-	771,921	13,431,192
Net income from operational activities for the year	411,991	-	1,424,113	1,836,104
Net gains/(losses) on investments	(299,989)	-	-	(299,989)
Net income for the year	112,002	-	1,424,113	1,536,115
Transfers between funds	1,401,966	35,619	(1,437,585)	-
Net movement in funds	1,513,968	35,619	(13,472)	1,536,115
Reconciliation of funds:				-
Total funds brought forward	9,055	21,595,957	13,472	21,618,484
Total funds carried forward	1,523,023	21,631,576	-	23,154,599

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 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) – (Charities SORP (FRS 102)) and the Companies Act 2006.

East Anglia's Children's Hospices 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(s).

b. Significant accounting estimates and assumptions

The most significant areas of adjustment and key assumptions that affect items in the accounts are to do with judging when legacy income should be brought into the figures. Further details regarding the contingent asset for legacy is shown in note 16.

c. Legal status of the charity and subsidiaries

The charity is a company limited by guarantee and has no share capital. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. East Anglia's Children's Hospices (Trading) Limited is a trading company and wholly-owned by the charity. Stable Trading Limited is a company limited by guarantee under the control of the Trustees and also East Anglia's Children's Hospices.

d. Going concern

The Trustees consider that there are no material uncertainties about EACH's ability to continue as a going concern.

e. Group financial statements

The financial statements consolidate the results of the charity and its wholly-owned subsidiaries on a line-by-line basis. A separate Statement of Financial Activities and Income and Expenditure for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

f. Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of the charity.

Designated funds are unrestricted funds of the charity which the Trustees have decided at their discretion to set aside to use for a specific purpose. The aim and purpose of each designated fund is set out in the notes to the financial statements. Restricted funds are given to EACH for a variety of specific purposes which mostly relate to the care of children and families or the development of new facilities. The cost of raising and administering such funds is charged against the specific fund. The aim and use of each material designated and restricted fund is set out in the notes to the financial statements. Investment income, gains and losses are allocated to the appropriate fund.

g. Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income 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 or contract income), the income and related expenditure are reported gross in the Statement of Financial Activities.

Donations, grants and gifts are recognised when receivable. In the event that a donation is subject to fulfilling performance conditions before the charity is entitled to the funds, the income is deferred and not recognised until those conditions will be fulfilled in the reporting period. Income from Gift Aid tax claims are processed for donations with relevant and appropriate Gift Aid declarations. Claims are made in the same period as the donation is received. 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 charity 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, pecuniary bequests are recognised following probate and on receipt of notification. Residuary bequests are recognised at the earlier date of either when the charity is aware the estate has been finalised and notification has been made by the executor(s) 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 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 (see note 16).

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 deposit funds held is included when receivable and the amount can be measured reliably by the charity which is normally upon notification of the interest paid or payable by the bank. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due. This is normally upon notification by our investment advisor of the dividend yield of the investment portfolio. Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

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.

h. Donated goods and services

Donated services or facilities are recognised when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the item is probable and that economic benefit can be measured reliably.

Donated professional services and facilities are included in income at the estimated value of the gift to the charity when received, based on the amount that the charity would have been prepared to pay for these services or facilities had it been required to purchase them, with a corresponding entry in the appropriate expenditure heading for the same amount. Donated fixed assets are similarly taken to income at the value to the charity with the other entry being capitalised in fixed assets.

Rent-free periods and landlord contributions to shop set-up costs are spread over the life of the lease.

i. Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. All expenditure is accounted for on an accruals basis under the following headings:

- Costs of raising funds comprise fundraising costs incurred in seeking donations, grants and legacies; investment management fees; costs of fundraising activities including the costs of goods sold, shop costs, commercial trading and their associated support costs. Fundraising costs do not include the costs of disseminating information of support of the charitable activities.
- Expenditure on charitable activities includes the costs of providing specialist palliative care and support, community services, research and other educational activities undertaken to further the purposes of the charity and their associated support costs.
- Support costs comprise those costs which are incurred directly in support of expenditure on the objects of the charity and include governance cost, finance, and office costs. Governance costs are those costs incurred in connection with the compliance with constitutional and statutory requirements of the charity. Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred. Support costs are allocated to each of the activities on the basis of staffing costs.

j. 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 Strategic report.

k. Fixed assets

All assets costing more than £1,000 are capitalised at their historical cost when purchased. Depreciation is provided to write off the cost or revaluated amount, less an estimated residual value, of all fixed assets evenly over their expected economic useful lives on a straight-line basis as follows:

- Motor vehicles 20% of cost
- Fixtures and equipment 20% - 33% of cost
- Freehold buildings 2% of cost
- Improvements to the leasehold property over lease period

The need for any 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 that carrying value against the value in use or realisable value of the asset when appropriate.

l. 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 quoted market price, except for the shares in the trading subsidiary which are carried at cost. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year. The charity does not acquire put options, derivatives or other complex financial instruments.

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

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

m. 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 be able to assess the amount of donated stocks as there are no systems in place which record these items until they are sold and undertaking a stock take would incur undue cost for the charity which far outweighs the benefits.

n. 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 are included at the best estimate of the amounts receivable at the balance sheet date.

o. Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

p. Creditors

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

q. Financial instruments

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

Fixed assets are recorded at depreciated historical cost and investments are recorded at fair value being closing bid value. All other assets and liabilities are recorded at cost which is their fair value.

r. Pensions

Employees of the charity are entitled to join a defined contribution 'money purchase' scheme OR NHS scheme. Charity contributions are disclosed in note 5. There were no overdue contributions at the year-end. The costs of the defined contribution scheme are included with the associated staff costs and allocated therefore to raising funds, charitable activities, support and governance costs and charged to the unrestricted funds of the charity.

The money purchase plan is managed by Aviva and the plan invests the contributions made by the employee and employer in an investment fund to build up over the term of the plan. The pension fund is then converted into a pension upon the employee's normal retirement age which is defined as when they are eligible for a state pension. Aviva charges employees directly for the management of the scheme at 0.55% and this is deducted from the investment fund annually. The charity has no liability beyond making its contributions and paying across the deductions for the employee's contributions.

s. Operating leases

Operating leases are recognised over the period of which the lease falls due. Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the period of the lease.

t. Taxation

The company is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the company is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

u. Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange gains and losses are recognised in the Statement of Financial Activities.

v. Significant Accounting Estimates

A dilapidation provision is made for leased property where there is a reinstatement on termination requirement in the lease.

Independent Auditor's Report to the Members of East Anglia's Children's Hospices

Opinion

We have audited the financial statements of East Anglia's Children's Hospices (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the consolidated Statement of Financial Activities, the consolidated Balance Sheet, the charity Balance Sheet, the consolidated Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the Trustees 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

Responsibilities of Trustees

As explained more fully in the Trustees' responsibilities statement (set out on page 21), the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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 charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included employment law, financial reporting, health & safety and safeguarding.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness and evaluated the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision-making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee Board meetings, any correspondence with the Charity Commission and reviewed the procedures in place for the reporting of any incidents to the Trustee Board, including serious incident reporting of these matters as necessary with the Charity Commission.
- We agreed the financial statement disclosures to underlying supporting documentation, made enquiries of management and officers of the charitable company regarding laws and regulations applicable to the organisation and discussed whether there had been any known breaches of laws and regulations in order to consider any possible further considerations or impact upon the charity.
- We reviewed the risk management processes and procedures in place, including a review of the risk register maintained by the charitable company and reports reviewed by the board.

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/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. 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.

Richard Vass (Senior Statutory Auditor)
For and on behalf of
Price Bailey LLP

Chartered Accountants and Statutory Auditors
Tennyson House, Cambridge Business Park
Cambridge, CB4 0WZ

Date: 4th August 2021

Structure, Governance and Management

Constitution

EACH was incorporated as a private limited company by guarantee without share capital and is governed by the Memorandum and Articles of Association dated 16th April 1998 as amended. The charity has three wholly-owned subsidiaries:

- East Anglia's Children's Hospices (Trading) Limited, a private limited company governed by the Memorandum and Articles of Association dated 31st July 2014 as amended.
- Stable Trading Limited, a private limited company by guarantee and without share capital governed by the Memorandum and Articles of Association dated 1st February 1991 as amended. This company is currently dormant.
- Children's Hospice for the Eastern Region, a private limited company without share capital governed by the Memorandum and Articles of Association dated 24th December 1992 as amended. This company is currently dormant.

EACH is governed by the Board of Trustees who are drawn from a variety of backgrounds and meet quarterly. The Board is responsible for setting the strategic direction of the charity. There is an approved scheme of delegation which enables decisions and actions to be taken by committees and the Management Executive. The Board Committees are:

- Clinical Governance Committee
- Finance and Income Generation Committee (which includes an investment sub-committee)
- Audit and Compliance Committee
- Human Resources Committee.

The Board has determined that the following powers are reserved to itself:

- Approval of reserved and delegated powers.
- Approval of the structure of arrangements for dealing with complaints.
- Approval of the corporate, organisational, management and control structure.
- Approval of the terms of reference of committees of the Board and the setting and variation of levels of delegation to the Chief Executive and Executive Directors.
- The appointment and role descriptions of the Chair, other officers of the charity and Trustees.

- The appointment of members of the committees of the Board.
- The appointment of EACH representatives to outside bodies.
- The appointment of and the terms of service and remuneration policy applying to the Chief Executive and other Executive Directors.
- The appointment of investment and pension advisors, auditors, bankers, solicitors, insurers and other professional advisors.
- The approval of certain policies.
- Approval of the strategic objectives of the charity and of the key issues arising therefrom.
- Approval of the annual and five-year business plans.
- Approval of the operational budget for the forthcoming financial year, including any capital expenditure and any variations.
- Oversight of the charity's operations and review of performance in the light of the strategic objectives, business plans and budgets.
- Acquisition, disposal or change of use of land or buildings.
- The introduction, extension or discontinuance of any significant activity or operation and the entering into of any transaction that is material strategically or by reason of size.
- Approval of contracts (capital or revenue) outside the budget likely to amount to over £20,000 during the period of the contract.
- Approval of action on legal and arbitration proceedings (including tribunal or alternative dispute resolutions involving the charity).
- Approval of investment strategy.
- The entering into of any indemnities or guarantees or any banking facilities and the creation of any charge or other encumbrance over assets of the charity.
- Approval of the charity's annual report and accounts in compliance with current legislation.
- Approval of any significant changes in accounting policies or practices and of any alteration of the charity's accounting reference date.
- Delegation to committees of the Board and to the Chief Executive.

Trustees serving during the year, appointment and induction

New Trustees undergo an induction programme which involves visiting the various parts of the organisation, meeting with managers and staff, and observing at first hand the business of the charity. Trustees' training requirements are reviewed on an annual basis.

During the year Trustee attendance at Board meetings was 95% (2020: 81%).

The Board has self-assessed against the requirements of the good governance code, identifying a review of the diversity of the Board as a key area of development.

In accordance with the Articles of Association a third of all Trustees in office are required to retire each year.

The Trustees who are required to retire by rotation are those who have been longest in office since their appointment or reappointment. The Trustees take into account the Charity Commission's recommendation that the total length of office should not normally exceed nine years, however, the total period of appointment may be varied in any particular case if the other Trustees then serving determine that it would be in the interests of the charity to do so. Having carried out a review of the composition of the Board and taking into account the need for progressive refreshing, four Trustees retired during the year and five new Trustees were appointed. The Trustees noted that John Pickering has served a period in excess of nine years. The Board agreed that John Pickering would remain in post as Chair while plans are developed to recruit a new Chair. Periodically, the Board is assessed on skills, qualifications and experience to identify areas of Board strengths and weaknesses.

EACH Management Executive (MEX)

Executive Directors in post:

Chief Executive

Phil Gormley

Director of Care and Deputy Chief Executive

Tracy Rennie

Director of Finance

Ruth Kiani

Director of Fundraising

Kevin Clements

Director of People

Nicky Kendrick

Director of Retail

Ian Nicolson

The Management Executive (MEX) is headed by a Chief Executive who is supported by the Director of Care, Director of Finance, Director of Fundraising, Director of Retail and Director of People.

The Executive Directors are not directors within the meaning of the Companies Act, except for Phil Gormley, Ruth Kiani and Ian Nicolson who are directors within the meaning of the Companies Act for the subsidiary company East Anglia's Children's Hospices (Trading) Ltd. Ruth Kiani also acts as Company Secretary for East Anglia's Children's Hospices.

The Board last undertook a review of the salaries of the Executive Directors in 2020 drawing upon benchmarking of similar organisations. The Board further agreed that the salaries of Executive Directors salaries would be reviewed through a similar benchmarking exercise on a biennial basis.

Umbrella groups

The charity is a member of both Hospice UK and Together for Short Lives, who act as umbrella organisations providing advice and support to member bodies in the field of palliative care. Together for Short Lives also operates a national fundraising scheme, of which EACH is a participant.

Partnership working

EACH works in partnership with a variety of statutory and voluntary organisations engaged in providing care and support to children with life-threatening illnesses. Key partnership organisations are:

- The East of England Managed Clinical Network (MCN). EACH hosts this service which provides out-of-hours access to specialist medical support and advice, provides education, and develops and promotes good practice guidance. It comprises one tertiary centre and nine district general hospitals:
 - Cambridge University Hospital Foundation Trust
 - Norfolk & Norwich University Hospital NHS Trust
 - West Suffolk Hospital, Bury St Edmunds, Suffolk
 - Ipswich Hospital, Suffolk
 - Colchester Hospital, Essex
 - Princess Alexandra Hospital, Harlow, Essex
 - James Paget Hospital, Gorleston, Norfolk
 - Queen Elizabeth Hospital, King's Lynn, Norfolk
 - Hinchingbrooke Hospital, Huntingdon, Cambridgeshire
 - Peterborough Hospital, Cambridgeshire.

- Community NHS Trusts including Norfolk Community Health and Care NHS Trust, Cambridge and Peterborough Foundation Trust, North and Mid and West Essex NHS Community Services.
- NHS England and County Council Commissioners, including NHS North East Essex Clinical Commissioning Group (CCG), NHS Mid Essex CCG, NHS West Essex CCG, NHS Norfolk and Waveney CCG, NHS Cambridgeshire and Peterborough CCG, NHS Ipswich and East Suffolk CCG, NHS West Suffolk CCG and Norfolk County Council.
- Other children's hospices, including Keech Hospice Care in Bedfordshire, Haven House Hospice in West Essex and Little Havens Children's Hospice, South Essex.
- Adult hospices, including St Elizabeth Hospice (Ipswich), Tapping House (Norfolk), Sue Ryder (Peterborough) and Arthur Rank Hospice (Cambridge).

EACH staff participate in the following external groups:

Together for Short Lives Advisory Council.

The Director of Care is a member of this.

The East of England Managed Clinical Network

(Norfolk, Suffolk, Cambridgeshire and North and West Essex). This is chaired by the EACH Medical Director and is attended by the Nurse Consultant Children's Palliative Care and EACH Matrons.

East of England Children's Palliative Care Forum and county-based palliative care networks.

These are responsible for developing and implementing the priorities of the Managed Clinical Network (MCN). The regional forum is chaired by the Director of Care and attended by the Medical Director and Nurse Consultant Children's Palliative Care. The county-based networks are attended by the Nurse Consultant, Matrons and Service Managers.

East of England Palliative & End of Life Care Strategic Clinical Network.

The Director of Care and the EACH Medical Director attend this in their capacity as chairs of the CYP Palliative Care Forum and MCN respectively.

East of England Regional Action Group for Young People. This regional forum is chaired by an adult hospice clinician and information shared via the Palliative Care Forum.

Royal College of Nursing: Children & Young People Palliative Care Community. The EACH Nurse Consultant is vice-chair of this group.

Together for Short Lives/Association of Paediatric Palliative Medicine National Research Group. This is attended by Nurse Consultant Children's Palliative Care.

The Library and Information Service Manager and Nurse Consultant are members of the **editorial team for the Together for Short Lives publication: Synopsis**. This includes summaries of current research and evidence-based practice articles.

National Children and Young People Hospice LTV Forum. This group is chaired by the EACH Respiratory Nurse Specialist and attended by EACH Long-Term Ventilation Nurses.

Quality Account

Under the Health Act 2009 and the NHS (Quality Accounts) Regulations 2010, there is a requirement for EACH to submit a Quality Account to the Secretary of State for Health. Quality Accounts are an annual statement from healthcare providers designed to demonstrate an organisation's approach to ongoing quality improvement. The report is available to view on the NHS Choices website.

Other disclosures

The charity makes no grants to other organisations, has no social investment programme, holds no assets as a custodian Trustee and does not have powers to invest on a total return basis. No charity funds are in deficit. There are no uncertainties regarding the charity's going concern basis. Pension commitments are described in note 8 to the financial statements

Company information

Trustees – in post at the point of the accounts being signed

John Pickering (Chair)
Lily Bacon
Jasmine Bannon (Appointed 28th January 2021)
Sheila Childerhouse
Emma Deterding
Trevor Holden (Appointed 18th November 2020)
Iain Jamie (Appointed 18th November 2020)
Helen Langton
Annmarie Lloyd Jones
Brad McLean
Ann Monks
Christopher Schwer (Appointed 18th November 2020)
William Self
Caroline Steggles (Appointed 18th November 2020)
Loyola Weeks (Appointed 28th January 2021)

Royal Patron

HRH The Duchess of Cambridge

Vice President

Sir Martyn Lewis CBE

Patrons

Mrs Julie Spence OBE QPM, HM Lord-Lieutenant of Cambridgeshire
The Lady Dannatt MBE, HM Lord-Lieutenant of Norfolk
The Countess of Euston, HM Lord-Lieutenant of Suffolk
Mrs Jennifer Tolhurst, HM Lord-Lieutenant of Essex
The Marchioness of Cholmondeley
The Countess of Leicester
Emma Deterding

Ambassadors

Christina and Humphrey Burton CBE
Frankie Dettori MBE
Anthony Horowitz OBE
Frankel
Ed Sheeran
Delia Smith CBE

Other Trustees in post during the year

Robert Dawson (Resigned 28th January 2021)
Roger Coble (Resigned 18th November 2020)
Paul Green (Resigned 18th November 2020)
Judith Ingram (Resigned 18th November 2020)

Company Secretary

Ruth Kiani

Charities Number: 1069284

Registered Number: 03550187

VAT Number: 216 8793 76

Registered Office

Church Lane, Milton Cambridge, CB24 6AB

Statutory Auditors

Price Bailey LLP, Tennyson House, Cambridge
Business Park, Cambridge, CB4 0WZ

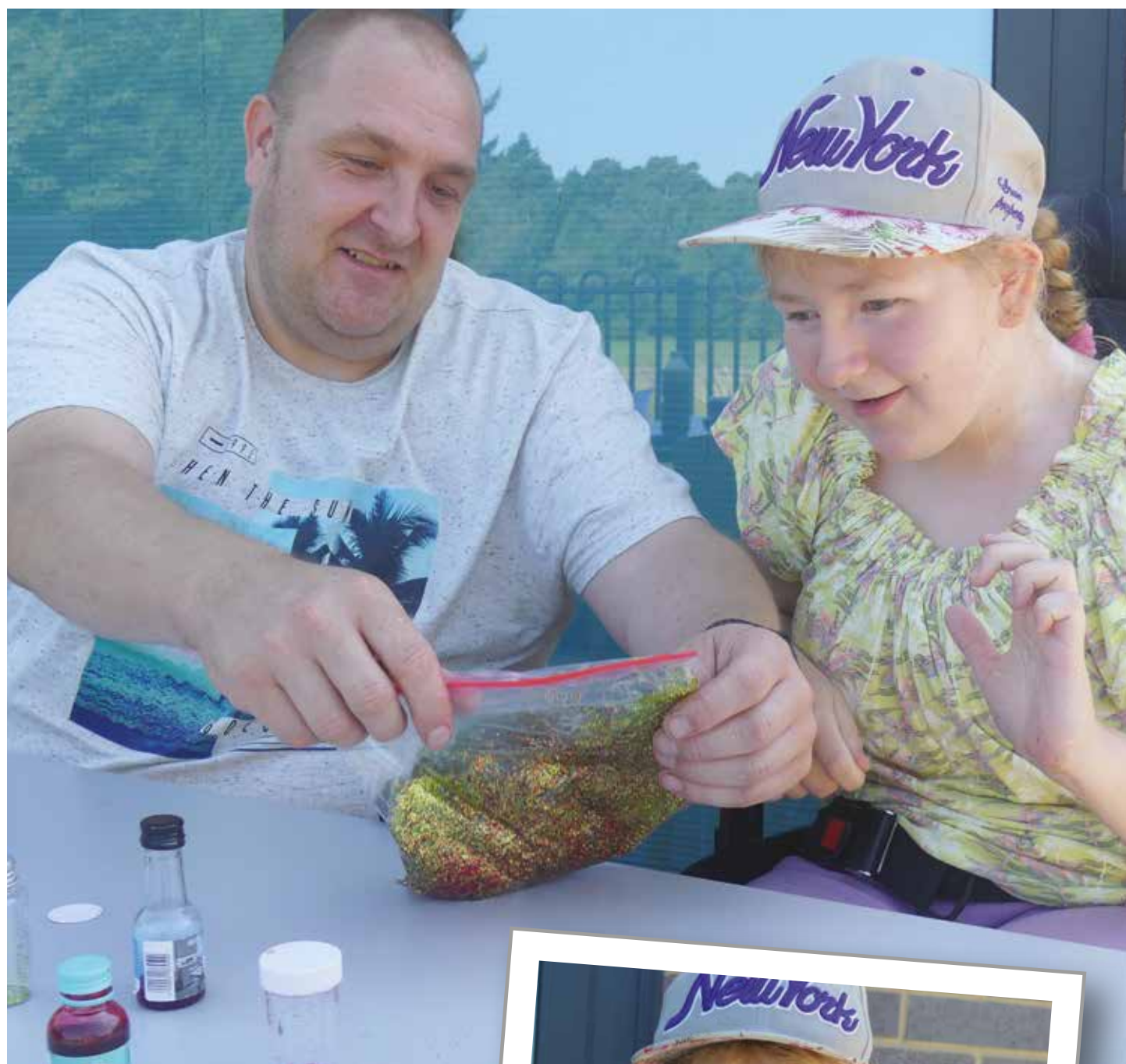
Bankers

National Westminster Bank Plc., 5 Market Place,
Wymondham, Norfolk, NR18 0AG

Barclays Bank Plc., 28 Chesterton Road,
Cambridge, CB4 3AZ

Investment Managers

J M Finn, 4 Coleman Street, London, EC2R 5TA





Registered with
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REGULATOR**

Institute of
Fundraising
ORGANISATIONAL
MEMBER

East Anglia's Children's Hospices

Milton (Cambs and West Essex) • **The Nook** (Norfolk) • **The Treehouse** (Suffolk and East Essex)

Get in touch

Call: 01223 800 800

Visit: www.each.org.uk

Royal Patron: HRH The Duchess of Cambridge

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