

Company number: 04120082  
Charity Number: 1088475  
Scottish Charity number: SC040117

# Hospices of Hope Limited

Report and financial statements

For the year ended 31 December 2021

# Hospices of Hope Limited

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### For the year ended 31 December 2021

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## Hospices of Hope Limited

### Reference and administrative information

For the year ended 31 December 2021

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**Company number** 04120082  
**Country of incorporation** United Kingdom

**Charity number** 1088475 (England and Wales) & SC040117 (Scotland)  
**Country of registration** England & Wales and Scotland

**Registered office and operational address** 11 High Street  
Otford  
KENT  
TN14 5PG

**Trustees** Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Marilyn Boggust	Chair
Rev. Tony Redman	Co-chair
Dr. Jo Hockley OBE	
Dr. Alison Landon MBE	
Douglas Paterson	resigned 31 <sup>st</sup> December 2021
Peter Russell	
Simone Ingram	
Phil Batson	
Yapincak Erkan	
Jim Penberthy	resigned 7 <sup>th</sup> July 2021
Frederick Briance	
Rick Woodward	appointed 9 <sup>th</sup> February 2022
Steph Storer	appointed 9 <sup>th</sup> February 2022
David Grace	appointed 9 <sup>th</sup> February 2022

<b>Key management personnel</b>	Anna Perolls Interim	Chief Executive Officer (1 <sup>st</sup> January to 13 <sup>th</sup> September 2021)
	Anna Perolls	Chief Executive Officer (appointed 13 <sup>th</sup> September 2021)
	Graham Perolls	Development Director
	Jason Outram	Finance Director
	Carolyn Perolls	Trading Company Managing Director

**Bankers** HSBC Bank Plc  
1/5 Week Street  
Maidstone  
KENT  
ME14 1QW

## Hospices of Hope Limited

### Reference and administrative information

For the year ended 31 December 2021

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**Solicitors**                      Latham & Watkins LLP  
99 Bishopsgate  
LONDON  
EC2M 3XF

**Auditor**                         Sayer Vincent LLP  
Chartered Accountants and Statutory Auditor  
Invicta House  
108-114 Golden Lane  
LONDON  
EC1Y 0TL

Our **Vision** is of a future where all patients who need palliative and/or end of life care in South East Europe are able to live and die with dignity as respected and valued members of their society.

Our **Mission** is to improve the quality of life for children and adults who need palliative and/or end of life care and provide support for their families in South East Europe by increasing provision and access to palliative care services and training of medical personnel.

Our **Aim** is to achieve policy changes in Romania, Serbia, Republic of Moldova and Albania that will lead to hospice/palliative care becoming available to a majority of the population. We also aim to influence the governments of the surrounding countries that do not currently have palliative care services, do not fund palliative care services or do not have adequate systems in place to care for those who need palliative or end of life care.

#### **Our Structure**

Hospices of Hope is a registered charity in England and Scotland, has two UK offices based in Otford and Edinburgh, a retail subsidiary trading from 15 charity shops in South-East England and Scotland and a branch in Republic of Moldova opened in 2017.. We also have a sister charity in New York, USA with 501 (c) 3 non-profit, tax exempt status.

We work through our partner organisations in Romania, Serbia, Albania and Greece and through our branch in Republic of Moldova, which support national networks of palliative care teams. Our objective is to enable these organisations to become self-sustainable as soon as practicable. We have a memorandum of understanding in place with each organisation.

We also support other hospice and palliative care organisations in Central and Eastern Europe through the provision of advocacy, technical support and training.

#### Our Country Partners:

ROMANIA	Hospice Casa Sperantei: Brasov, Bucharest, Fagaras, Zarnesti, Copaceni and the "Princess Diana Training Centre", Brasov Hospice Emanuel, Oradea
SERBIA	BELhospice, Belgrade
REPUBLIC OF MOLDOVA	Hospices of Hope Republic of Moldova (branch), "IMSP Spitalul Raional (Cahul)", "AO Angelus (Ocnita)", "AO Aripile Sperantei (Orhei)", "AO Angelus (Soroca)", "AO Angelus (Taraclia)"
ALBANIA	Family Healthcare Association – Mary Potter (Korce), Ryder Albania (Tirana and Durres), ABC Health (Tirana)
GREECE	Merimna, Athens

Medical professionals from these countries have been trained:

Armenia, Bosnia, Bulgaria, Czech Republic, Georgia, Hungary, Kazakhstan, Kosovo, Kyrgyzstan, Macedonia, Montenegro, Poland, Russia, Turkey, Ukraine and Uzbekistan.

## **Our Purpose**

Hospices of Hope serves the needs of patients needing palliative and/or end of life care and their families and carers in Romania, Serbia, Greece, Albania and the Republic of Moldova through its partner organisations and branch. The charity has a policy that it will only work with organisations that provide hospice care of a high international standard, free of charge to the beneficiary. Patients are accepted based on need and residential proximity, not on the grounds of race, religion or ability to pay. The education provided to medical professionals is subsidised where possible.

In 2021, despite the continuation of the pandemic, over 7,000 patients were able to receive palliative care across our network.

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives that have been set.

## **Our Objectives**

- To encourage and assist the growth of palliative care provision for terminally ill children and adults in Romania, Serbia, Republic of Moldova, Greece, Albania and surrounding countries
- To help pioneer care for children and families affected by life-limiting conditions, particularly through the socio-medical model at Adunatii Copaceni, and continue to organise summer trips using volunteers from the UK
- To encourage, promote and assist the development of palliative care education and information in Romania and surrounding countries
- To sustain and grow financial support in the UK, USA, the rest of Europe and other countries (wherever possible), in order to support the charity's mission and specific goals
- To assist with raising awareness of the needs and rights of patients needing palliative and end of life care in our target countries
- To encourage sustainability in our target countries
- To advise and assist with fundraising strategy and activities in the target countries
- To encourage and assist with the use of tele-medicine and other technologies in order to increase our geographical reach

## Activity Highlights in 2021

### In the UK we:

- continued fundraising across a range of income streams in order to ensure we could meet our financial commitments to our country partners and branch and achieved targets
- diversified our events calendar to meet the challenges of continued COVID-19 restrictions and offered a range of virtual events (in the first quarter) and in person events from May onwards
- celebrated our 30<sup>th</sup> Anniversary with supporters taking on their own fundraising initiatives as well as hosting a highly successful dinner on the Belmond British Pullman
- expanded our Bagpuss related fundraising by utilising fan networks on social media and launching The Bagpuss Club to secure monthly donations
- supported our country partners through the transfer of know-how
- advocated with local stakeholders to improve both legislation and access to palliative care
- re-opened our shops for trading from April onwards following their closure due to the pandemic
- opened the newly refurbished bistro and tearoom, The Olive Tree. Gloria Hunniford OBE unveiled a plaque

### In Romania we:

- continued to support further development of the children's therapy centre at Copaceni, including the opening of their new respite care unit
- supported our country partners in Romania, Hospice Casa Sperantei and Hospice Emanuel, which enabled 5,093 patients to receive palliative care
- helped secure the necessary funding for the ongoing operations, which involved achieving very challenging annual fundraising targets (*N.B. Grants and donations secured by our staff in the UK but paid directly by donors to our partner charities are not included in our accounts*)
- financed a Minibus to transport children to and from Copaceni as well as two cars to be used to make home-care visits
- raised funds to cover the initial set up and 6 months running costs for a new children's home-care team in the Bucharest area

### In Serbia we:

- supported our country partner in Serbia, BELhospice, which enabled 598 patients to receive palliative care
- helped secure the necessary funding for the ongoing operations, which involved achieving very challenging annual fundraising targets (*N.B. Grants and donations secured by our staff in the UK but paid directly by donors to our partner charities are not included in our accounts*)
- assisted our partner with successful applications for a number of international grants
- secured the funding to set up the first palliative home-care team for children in the country and cover 12 months' running costs

In Republic of Moldova we:

- continued to build the capacity of the five teams we are supporting through grants from Medicor. Although one team has been temporarily shut as it is based at a hospital which has been converted into a COVID-19 unit, our support, together with local fundraising, enabled 497 patients to receive palliative care
- continued to advocate and lobby for the rights of patients and better funding for palliative care
- continued to increase public awareness related to our services and to palliative care in general

In Albania we:

- continued to build the capacity of the four teams we are supporting through grants from Medicor and BMS, together with local fundraising, all of which enabled 800 patients to receive palliative care
- helped apply for and secure a regional grant

In Greece we:

- signed a Memorandum of Understanding with our new partner Merimna who are the only providers of specialist palliative care for children in the country
- provided the funds for a nurse's salary for 14 months

### **Action plan for 2022 onwards**

To encourage and assist the growth of palliative care provision in Romania, Serbia, Republic of Moldova, Greece, Albania and surrounding countries by providing advocacy, technical expertise, training and funding, in all ways possible but especially by:

- lobbying governments to provide legal frameworks and funding
- advising on setting up hospices and matters relating to funding, staffing, management etc.
- promoting a national integrated palliative care network where possible
- assisting with public awareness campaigns
- encouraging twinning initiatives
- providing trainers and experts
- providing grants and funding
- developing local fundraising and sustainability



Regional activity:

### **Romania**

Help sustain and support Hospice Casa Sperantei ('HCS') to continue its work based on two main pillars: 1) offering a high standard of palliative care to as many patients as possible and 2) continuing to advocate for the development of palliative care nationally. HCS continues to be the only organisation in Romania offering the full range of palliative care services, all free of charge, meaning that the services strategy for 2022 is focused on sustainability to be achieved through:

- strengthening the existing services and simplifying processes
- stabilising the teams against the background of competition from the public health system (which is paying salaries more than double those affordable by HCS)
- finding ways to recruit, develop and reward staff in order to support retention and maintain high quality services
- establishing an efficient digital work environment and integration of tele-medicine
- improving financial stability, by strengthening multiple pillars of funding
- looking for business development opportunities and exploring, implementing and developing new income sources such as social entrepreneurship

Support advocacy initiatives as HCS continues to be the national leader in palliative education, a Centre of Excellence for the region and a member of the POCA project being led by the Ministry of Health and designed to establish the first national strategy for palliative care in Romania.

Encourage and assist Hospice Emanuel with their development goals including:

- increasing the quality of the palliative care services provided by the clinical team to the adults diagnosed with advanced cancer
- developing a paediatric department
- strengthening their fundraising department
- intensifying the fundraising efforts for the building of the hospice centre/unit with beds
- obtaining the building permit and starting building works on Phase 2 of the in-patient unit

### **Serbia**

Help sustain and support BELhospice with their development goals including:

- implementing palliative care services based on patients' needs and adjusted to the new environment caused by COVID-19
- sustaining adult home care services and continuing advisory services through tele-medicine
- reinstating day care services and protecting patients and staff from COVID-19 infection
- setting up a home care team for children in cooperation with the Institute of Mother and Children

## **Hospices of Hope Limited**

### **Trustees' annual report**

#### **For the year ended 31 December 2021**

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- assuring sustainability of the services through intensive fundraising
- developing BELhospice Palliative Care Excellence Training Centre through the development of a training platform, the introduction of new courses in the area of bereavement, and the development of a new palliative care curriculum for nurses
- developing innovative training courses for volunteers and involving them in more activities including fundraising
- building regional networks aimed at promoting and improving palliative care
- assessing the possibility of implementing a new service (Cottage Hospice) by utilising the upper floor of the building to accommodate and care for patients

### **Republic of Moldova**

Help sustain and support our teams in Republic of Moldova and build on our project there by:

- strengthening the branch office team in Chisinau in order to increase local funding, and identifying new local sources of income
- continuing to lobby for increased government funding and improved legislation
- strengthening the capacity of the existing palliative care teams with an emphasis on training and increasing efficiency
- identifying new sources of income in the UK, US and other countries dedicated to projects in Republic of Moldova
- using designated funds to support the project in Republic of Moldova for the first part of the year, pending confirmation of further grant funding
- continuing to research ways of establishing an outpatient/day-care service for adults and children in the capital city and implementing when resources become available

### **Albania**

Help sustain and grow the work in Albania by:

- increasing the capacity of all the teams we support as well as other providers of palliative care in the country, through training
- working closely with the team in Tirana to ensure successful implementation of the EU project in partnership with the Municipality of Tirana
- partnering with central and local governments in developing palliative care services within the country
- applying for projects in partnership with the state
- continuing to lobby and advocate for government funding for our services
- developing a functional fundraising department in order to generate income from local sources
- raising awareness of palliative care needs through campaigns and networking
- evaluating options for a long-term country partner

## **Greece**

Help support Merimna and grow the work in Greece by:

- finding a second partner who provides palliative care for adults
- continuing to lobby and advocate for government funding for our services
- raising awareness of palliative care needs through campaigns and networking
- identifying new sources of income in the UK, US and other countries dedicated to projects in Greece

## **General**

- supporting and encouraging the CEOs of the partner organisations, transferring know-how and advising the local Boards
- following the approval of the Board, identified a new partner in Greece, Merimna
- researching longer-term opportunities to support the development of specialist palliative care in Montenegro, Macedonia, Kosovo and Bosnia and providing advice, training and possible funding for a partner project
- encouraging the development of e-learning/distance learning courses, video conferencing etc. and assisting with development of course materials, curricula etc.
- sustaining and growing financial support in the UK, USA and the rest of Europe and other countries (if appropriate) for the charity's goals. This will include the further roll-out of the "Hospice Champions Network" scheme aimed at providing more consistent funding
- advising and assisting with the development of fundraising strategies and activities in the target countries
- encouraging best practice in the care of the dying and their families whilst resisting corruption wherever it is encountered
- encouraging and promoting volunteering both in the UK and in our partner countries
- supporting the Christian ethos of helping the poor, marginalised and vulnerable in society and, in particular, those who are terminally ill, and continuing to encourage the provision of a service free of charge at the point of need, regardless of age, religion or ethnic origin
- encouraging local leadership whenever and wherever possible and where it can be judged to be suitable and well-motivated

The Trustees review the aims, objectives and activities of the charity each year. This report looks at what the charity has achieved and the outcomes of its work in the reporting period. The Trustees report the success of each key activity and the benefits the charity has brought to those groups of people that it is set up to help. The review also helps the Trustees ensure the charity's aims, objectives and activities remained focused on its stated purposes.

## Achievements and Performance

### Advocacy and Promotion

In 2021 we planned to:	In 2021 we:	In 2022 we plan to:
Continue to support the development of the services at Copaceni and help obtain the additional approvals needed.	Received the approval for providing respite care at Copaceni (September) and the first patients were admitted into the unit. Due to the pandemic the services at Copaceni were regularly reviewed and adapted to the restrictions to allow for in-person and online contact.	Continue to support the development of the services at Copaceni. Continue to review the legislation and advise what is necessary for children and families who need these specialist services.
Continue to support the development of the national palliative care strategy.	Provided mainly remote support (with a couple of visits made by our Development Director) to our partner but were unable to be more actively involved due to the pandemic.	Continue to support the development of the national palliative care strategy which is due to be implemented from January 2024 and more state funding should become available for palliative care services across the country.
Promote awareness of the need to increase funding of palliative care particularly in light of salary increases for medical staff in the state sector. Resume lobbying to achieve a breakthrough in state funding.	Provided mainly remote support (with a couple of visits made by our Development Director) to our partner but were unable to be more actively involved due to the pandemic.	Continue to find ways to promote awareness of the needs of the terminally ill in Romania and the need for increased funding to match the increases given to medical staff in the state sector. Resume lobbying to achieve a breakthrough in state funding of palliative care.
Continue negotiations with Republic of Moldova government and devise a new fundraising plan following an interruption caused by COVID-19.	Succeeded in getting a rise in the contribution paid by the state for home visits. The local team managed to raise 50,000euros despite the COVID-19 challenges.	Work with the government to build capacity or palliative care services in the country. Implement a new fundraising strategy.
Resume talks with authorities to find a way forward for BELhospice to receive state funding.	Progress made in negotiations with the Ministry of Social Affairs.	Continue to lobby for funding for palliative care services from the state.

Use our influence in the region to promote palliative care and resume physical meetings.	Not able to hold physical meetings during the pandemic but held a number of remote meetings.	Continue to use our influence wherever possible in the region to promote palliative care and resume physical meetings.
Re-establish connections in Kosovo and research the possibility of starting a project there.	Submitted a project and waiting to hear if accepted by funder.	Implement the project for Kosovo, if accepted.

### Technical Assistance

In 2021 we planned to:	In 2021 we:	In 2022 we plan to:
Continue to provide advice and assistance as the development of the Copaceni project progresses, including the opening of the Respite Centre.	Project interrupted by the pandemic but physical activities resumed from the summer and, from September, patients were admitted to the newly opened Respite Centre.	Continue to support further development of the children's therapy centre as the Copaceni project progresses.
Provide advice and assistance to BELhospice particularly regarding development of the first children's service and the possible provision of in-patient care.	Provided support throughout the pandemic in order to help them adapt to the ongoing COVID-19 restrictions. Grant secured for developing the first children's service, training and recruitment started and the service will begin in 2022.	Continue to provide advice and assistance to BELhospice, particularly in respect of the launch of the children's service and the possible provision of in-patient care.
Continue to assist the Republic of Moldova team and help them to recover after the challenges of the pandemic.	Supported the Republic of Moldovan Country Manager. Candidates identified and assessed for membership of an advisory committee.	Continue to provide advice and assistance to the Republic of Moldova team. Formally appoint the advisory committee members and develop operational plans.
Reinstate the Albanian fundraiser position and resume advice on how to raise funds locally.	Reinstated the Albanian fundraiser position through our charity partner Ryder and they held their first fundraising event.	Continue to provide advice on fundraising.
Reconsider how we can help Hospice Emanuel with their capital appeal.	Signed Memorandum of Understanding. Meeting held with CEO, Development	Develop guidance for building a hospice, which organisations

	Director and a Trustee who is an architect by profession and advised on other building projects. Provided advice on the capital appeal and reviewed all paperwork.	considering a similar project might use.
Consider whether we can help Galilee Hospice going forward.	Galilee Hospice did not wish to sign a Memorandum of Understanding (MoU). Merimna, the only children's palliative care organisation in Greece, was identified and approved by the Board as a new partner in Greece. Signed MoU with Merimna and first funds were distributed at the end of the year.	Develop a strategy for raising funds for the work in Greece. Identify an adult care team to complement Merimna's children's service

## Education and Training

In 2021 we planned to:	In 2021 we:	In 2022 we plan to:
Continue to support ongoing training for the team in Republic of Moldova.	All planned educational activities (physical events) were cancelled due to the pandemic but on-line training continued in all our countries of operation.	Resume the training activities planned for 2021 as well as provide support for any newly identified needs where we can add value.
Continue to assist with the training of staff at Copaceni, as this project is a new concept in Romania. Find expert volunteers from the UK. As well as any other training needs identified by HCS and HE.		
Continue to assist with training needs identified by BELhospice.		
Continue to assist with training needs identified by the Albanian teams.		

Organise a follow up ostomy course in association with the Ostomy Foundation.		
		Assist with any training needs identified by Merimna, Greece.
		Develop an agenda for a Hospice of Hope Network conference in 2022/23 to be attended by all CEO's and those in key leadership roles
		Form an official partnership with Ayrshire Hospice to support our identified training needs. Find other UK hospices willing to form similar partnerships. Already in discussions with CHAS (Children's Hospice Association Scotland).

## Funding

### Fundraising policy

The charity uses in-house fundraisers and volunteers. The main sources of income (apart from income generated by the trading company) are donations from trusts and foundations, charitable events (gala dinner, lunches, regular giving, quizzes, sporting and crowdfunding events), corporate giving and legacies. We have an extensive database of very loyal donors who are supporting our work.

The charity is compliant with The Code of Fundraising Practice which can be found on the Fundraising Regulator's website – we also have a fundraising promise on our website:

<https://www.hospicesofhope.co.uk/donor-promise>

There have been no instances of non-compliance with any code and we have not received any fundraising-related complaints. The organisation does all it can to protect vulnerable people, this is laid out in our privacy policy: <https://www.hospicesofhope.co.uk/privacy-notice>

The charity is especially careful and sensitive when engaging with vulnerable people or those we have reason to believe might be vulnerable.

Third party fundraisers notify us of their fundraising activities, and we support them in any way we can; providing materials, literature, speaker if needed, etc. We are in contact with them before and after their activity. The majority of our supporters use online fundraising pages, so the funds raised are received directly by the charity.

## Hospices of Hope Limited

### Trustees' annual report

#### For the year ended 31 December 2021

The management team has completed a fundraising strategy review, which was approved by the Board in November 2021.

In 2021 we planned to:	In 2021 we:	In 2022 we plan to:
Raise £1.2m through donations, legacies, events, retail operations and promotions.	Achieved the target.	Raise £1.7m through trust grants, donations, legacies, events, retail operations and promotions. The country objectives will be funded from this overall target.
Raise £148,000 through charity retail activities and break even in the first year's operation of the newly reorganised Trading Company.	Exceeded target with the charity retail activities, thanks in part to the support received from the UK government. Made a small loss in the Trading Company as a result of our shops being closed for part of the year due COVID-19.	Stabilise the trading position following COVID-19 and raise £83,000 through charity retail.
Raise £170,000 to support running costs in Romania HCS.	Achieved target.	Raise further funds to support Hospice Casa Sperantei.
Raise £100,000 towards the services at Copaceni.	Did not achieve this target as Copaceni had to close for several months of the year due to COVID-19 as all the children are in the vulnerable category. Funds from existing grants were transferred to 2022.	Send a grant of £150,000 towards the services at Copaceni.
Raise funds to support Hospice Emanuel.	We were able to send them £30,000 in December.	Raise further funds to support Hospice Emanuel.
Raise £70,000 towards BELhospice running costs.	Exceeded target.	Send a grant of £58,634 to support their running costs as well as the new children's project. Raise additional funds to support BELhospice.
Continue paying grants and seek new sources of funding.	Organised a 30 <sup>th</sup> Anniversary Dinner on board the Belmond British Pullman which exceeded target. Continued paying grants.	Continue paying grants and seek new sources of funding utilising the fundraising tools already in place.



Reinstate the summer trips if COVID-19 allows.	The Summer Trips were cancelled for the second year due to COVID-19.	Reinstate the summer trips if COVID-19 allows. Send £22,000 to HCS if they are able to go ahead to cover the running costs of the trips.
Build on the improved communication and reinstate visits to our country partners and branch to encourage more fundraising initiatives.	Limited travel opportunities due to COVID-19 but improved regular online communication.	Continue to build on the increased communication. Reinstate visits to our country partners and branch to encourage more fundraising initiatives.
Reinvigorate the Honorary Patrons committee following the pandemic. Reinstate the cancelled event in New York.	Kept in close virtual contact with the Honorary Patrons but the US event was postponed for another year.	Change the format of the Honorary Patrons committee to two networking/ideas sharing events, where members are each encouraged to introduce a new contact to the charity. US event is being planned for the Spring.
To open the Otford tearoom (to be renamed the Olive Tree Bistro and Tearoom), as soon as COVID-19 restrictions are lifted, and use the new space to increase fundraising events.	The Olive Tree began trading in April with takeaway and outside seating. In May, when inside seating was permitted, Gloria Hunniford officially opened the new Bistro and unveiled a plaque on the wall.	Organise a range of special occasion events with support from the fundraising team.
		Send a grant of 46,000euros and of £31,200 towards the services provided by Ryder Albania. Raise additional funds to support our partners in Albania.
		Send a grant of £46,640 towards the services supported by our Hospices of Hope Moldova Branch. Send a grant of 144,000 euros from Medicor for the continuation of the 5 teams who are part of the Moldova Network. Raise additional funds to support

## Hospices of Hope Limited

### Trustees' annual report

#### For the year ended 31 December 2021

		the partners of Hospices of Hope Moldova.
		Raise funds to support Merimna, Greece.

The COVID-19 pandemic meant the UK continued with lockdown restrictions until 29<sup>th</sup> March 2021. Less severe but nonetheless restrictive measures remained in place until 19<sup>th</sup> July 2021. As a result, our fundraising opportunities were radically reduced, particularly in the area of events, networking and meetings. A number of "virtual" forms of fundraising were undertaken.

Our charity shops were closed until 12<sup>th</sup> April, which limited our ability to trade. However, we were able to access UK Government support.

The Trustees are aware that future plans will continue to be affected by COVID-19 and our finances and activities are therefore being kept under constant review. Plan B measures were put in place by the UK Government from 8<sup>th</sup> December 2021 due to the spread of the omicron variant. These measures will continue to have an impact in the UK in 2022 although the effect on our partner operations in Eastern Europe, where recovery from the virus lags the UK, is likely to be more significant and prolonged.

Updated cash flow forecasts to mid-2023 (i.e. 12 months from the date of approving the financial statements), taking into account the actual performance for the first six months of the current year, have been reviewed and, notwithstanding the continued uncertainties, the Trustees are of the opinion that the charity has the financial resources to continue in operation for at least 12 months from the date of this report.

The policy on grant making is that all projects that are accepted for assistance must be able to demonstrate that they fulfil the objectives of the charity. Rigorous controls and procedures are in place to ensure that grant money is spent on its intended purpose. Regular reports are received from the projects and the impact of the grants are assessed against our charitable objectives.

We have representatives on the Boards of our network partners (the main beneficiaries of the grants) to ensure a good understanding of the project and ensure that funds are expended properly and within the standards we expect from a partner.

### Volunteers

Volunteers provide a valuable additional resource in the trading company, the head office, on summer trips and other events. Their contribution is invaluable.

### Financial review

2021 was an exceptionally challenging year due to the continuation of COVID-19 and new variants but, thanks to a number of factors we were able to meet our income budget and fulfil all our

commitments to our partners. We launched Easter and Christmas appeals and received a very generous response from our donors. Secondly, we were able to reinstate physical fundraising events from May including our special 30<sup>th</sup> Anniversary dinner on board the Belmond British Pullman which exceeded our expectations. Thirdly, we were successful with a number of grant applications and finally we received further financial support from the UK Government for our retail and trading operations.

Our expenditure was lower than budgeted partly because of the support received from the Government furlough scheme and partly due to reductions in other costs such as travel, fundraising support costs, office costs and unfilled vacancies.

The retail income has been augmented by grants from the government due to COVID-19. This is reflected in the results of the trading subsidiary whose income is derived from The Olive Tree Bistro and the sale of bought-in merchandise in all of our shops.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the financial statements. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with FRS 102.

### **Investment Policy**

The charity has a conservative policy on investing surplus cash and it is held on a money market and short-term deposit accounts.

### **Reserve Policy & Restrictions**

The Trustees have adopted a reserves policy of maintaining a minimum of four months' running costs, in unrestricted charity reserves. This charity reserve is set at this level as income generated from fundraising activities is historically uneven and costs can exceed income for a large part of the year. In their opinion this is sufficient to ensure the charity has the ability to meet its objectives in a sustainable manner.

The charity's unrestricted reserves at the end of 2021 represented 4.3 months of running costs.

### **Risk**

The Trustees have a policy in place for the identification and mitigation of risk and for ensuring that an appropriate system of internal control is in place and working effectively. This is reviewed and updated as appropriate at each Trustees' meeting.

The main risk identified is the ongoing COVID-19 pandemic, which brings with it uncertainty related to our fundraising plans that could affect our income. However, we have learnt a lot from the experience of 2020/21 and are confident that we can continue to fulfil our commitments to our partners. If the income should suffer then commitments to the various countries could be

reviewed in light of the reduced income. Based on these factors we do not consider the uncertainty of fundraising income will have an impact on the going concern of the charity.

While compiling this report the war between Russia and Ukraine has begun, which creates a further potential risk both to our branch in Moldova, which is very near the conflict zone, and also to fundraising as it is likely that many funders and individuals will want to support the Ukrainian people. Romania is a member of NATO and therefore is at less risk than Moldova but, as it borders with Ukraine, there is some anxiety that the war might spread but also a willingness to help its neighbour. We have launched a special appeal for Ukraine as it is in our target operational area of Eastern Europe and we are able to assist in several ways including: providing accommodation for mothers and children with special needs; admitting Ukrainian patients to our in-patient hospices and mobile services; and providing psycho-social and bereavement support in line with our articles of association. A further potential risk to our fundraising in the UK is related to rising living costs, in particular instability in the energy market.

Operational risks in Republic of Moldova will arise from the impact that COVID-19 may have on staffing levels but are primarily due to political and economic instability which is one of the reasons why we decided to operate through a branch in this country.

The Trustees are carefully monitoring the operations of all the country partners to ensure proper governance is in place.

An important source of income is derived from our shops. There are major challenges from competing charity shops, rising rents, the number of donors for whom we can receive Gift Aid and our ability to continue to attract competent volunteers. This is addressed in part by ensuring we have retail experience represented on the Board of Directors and through increased support from the Finance Committee.

### **Structure, Governance and Management**

The Trustees of the charity provide governance, develop policy, and accept ultimate legal authority for it. The Trustees formulate and regularly review the long and short-term strategic aims of the charity as well as setting specific goals and priorities. The Trustees approve budgets and are responsible for the good stewardship of the charity resources. They work in partnership with the CEO to achieve the charity aims. The Trustees meet at least five times a year and the finance committee meets at least twice a year.

The Hospices of Hope network comprises:

- The charity head office based in Otford, UK which is managed by the CEO and governed by the Board of Trustees.
- 15 charity shops (13 in the South East, 2 in Scotland).
- A branch in Republic of Moldova managed by the local Country Manager (who reports to the Regional Development Manager) and governed by the same Board of Trustees in the UK. The

branch in Republic of Moldova is supporting a local national network of palliative care providers comprising five organisations.

- Two main country partners: Hospice Casa Sperantei, Romania and BELhospice, Serbia. The country partners have their own Boards of Trustees, they have each signed a memorandum of understanding with Hospices of Hope, and a Hospices of Hope representative sits on the Board of Trustees for the main partners.
- Two secondary country partners Hospice Emanuel, Romania and Merimna, Greece. The CEO maintains regular contact with the CEOs of the partner organisations.
- Three additional secondary country partners in Albania: Family Healthcare Association – Mary Potter (Korce); Ryder Albania (Tirana and Durres); and ABC Health (Tirana). Relationships with all three partners are managed by our local Regional Development Manager.
- A registered sister charity in the USA with its own separate Board of Trustees. The mission of the American charity is identical to the UK based charity, but they are separate legal entities although two of our UK team members sit on the American Board.

#### **Role of the CEO and Management Team**

The CEO provides leadership to the executive team and is responsible for the operational detail and implementation of the strategic plan and the management of the charity, including control of expenditure in line with budgets and delegations approved by the Board. The CEO is supported by the Development Director, the Finance Director and the Head of Retail and this group forms the Senior Management Team.

Anna Perolls was appointed as the substantive CEO on 13<sup>th</sup> September 2021. Prior to this she was acting as Interim CEO.

#### **Structure and governance**

The organisation is a charitable company limited by guarantee, incorporated on 6<sup>th</sup> December 2000 and registered as a charity on 18<sup>th</sup> September 2001. The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed by its Articles of Association.

All Trustees give their time voluntarily and receive no benefits from the charity.

#### **Appointment of Trustees**

The Trustees aim to maintain a Board of ten to twelve members with a range of skills and experience. When vacancies in the Board arise, the process is to recruit via recommendation from Trustees and supporters of the charity. New Trustees are then proposed to the Board by the Chair.

### Trustee Induction and Training

Trustees are given the Charity Commission's booklet about the responsibility of being a Trustee and a summary of the history, personnel and activities of the charity. They are invited on an orientation visit and given further opportunities for training as required.

Remuneration policy for key management personnel

The remuneration of all staff is delegated to the Chief Executive and the pay is reviewed annually taking into account inflation, market rates and affordability. The Chair agrees the CEO's remuneration taking into account the same factors. Where there are family connections, no decision is taken by a family member regarding another family member's salary or employment terms.

### Statement of responsibilities of the Trustees

The Trustees (who are also directors of Hospices of Hope Limited for the purposes of company law) are responsible for preparing the Trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or group for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Hospices of Hope Limited

### Trustees' annual report

#### For the year ended 31 December 2021

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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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The Trustees are members of the charity, but this entitles them only to voting rights. The Trustees have no beneficial interest in the charity.

#### **Auditor**

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report has been prepared in accordance with the special provisions applicable to companies subject to the small companies' regime.

It was approved by the Trustees on 11 May 2022 and signed on their behalf by

Marilyn Boggust  
Chair

## Independent auditor's report

to the members of

Hospices of Hope Limited

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### Opinion

We have audited the financial statements of Hospices of Hope Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 December 2021 which comprise the consolidated and parent charitable company statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 December 2021 and of the group's and parent charitable company'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
- Have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

### 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 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 Hospices of Hope Limited'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.



## Independent auditor's report

to the members of

### Hospices of Hope Limited

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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' annual report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The trustees' annual report, has been prepared in accordance with applicable legal requirements

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- Adequate 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 financial statements are not in agreement with the accounting records and returns; or
- Certain disclosures of trustees' remuneration specified by law are not made; or
- We have not received all the information and explanations we require for our audit; or

## **Independent auditor's report**

**to the members of**

### **Hospices of Hope Limited**

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- The directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' annual report and from the requirement to prepare a strategic report.

## **Responsibilities of trustees**

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 the 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 the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

## Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- We enquired of management and the finance committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
  - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
  - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
  - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.
- We obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## **Independent auditor's report**

**to the members of**

**Hospices of Hope Limited**

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### **Use of our report**

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. 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.

Fleur Holden (Senior statutory auditor)

8 June 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor

Invicta House, 108–114 Golden Lane, LONDON, EC1Y 0TL

Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

# Hospices of Hope Limited

## Consolidated statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

	Note	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>							
Donations and legacies	2	211,861	588,797	<b>800,658</b>	502,023	505,166	1,007,189
Government grants with regard to Coronavirus		359,322	–	<b>359,322</b>	567,161	–	567,161
Other trading activities							
Trading turnover & retail gift donations		1,231,499	–	<b>1,231,499</b>	931,484	–	931,484
Events and promotions	3	145,581	7,732	<b>153,313</b>	31,436	34,351	65,787
Investments		1,211	–	<b>1,211</b>	13,923	–	13,923
Other		360	–	<b>360</b>	1,698	3,583	5,281
<b>Total income</b>		<b>1,949,834</b>	<b>596,529</b>	<b>2,546,363</b>	<b>2,047,725</b>	<b>543,100</b>	<b>2,590,825</b>
<b>Expenditure on:</b>							
Raising funds							
Cost of generating donations and legacies	4	235,583	–	<b>235,583</b>	247,296	–	247,296
Cost of events and promotions		34,579	–	<b>34,579</b>	2,468	–	2,468
Trading		1,285,746	–	<b>1,285,746</b>	1,188,875	–	1,188,875
Charitable activities							
Advocacy and promotion	4	10,065	–	<b>10,065</b>	9,916	–	9,916
Technical assistance	4	39,171	–	<b>39,171</b>	39,663	–	39,663
Funding support & hospice services	4	377,946	508,703	<b>886,649</b>	351,660	495,384	847,044
<b>Total expenditure</b>		<b>1,983,090</b>	<b>508,703</b>	<b>2,491,793</b>	<b>1,839,878</b>	<b>495,384</b>	<b>2,335,262</b>
<b>Net income / (expenditure) before taxation</b>		<b>(33,256)</b>	<b>87,826</b>	<b>54,570</b>	<b>207,848</b>	<b>47,716</b>	<b>255,564</b>
Transfers between funds	20	28,324	(28,324)	–	27,352	(27,352)	–
Deferred tax (charge)/ credit in trading subsidiary	10	900	–	<b>900</b>	1,970	–	1,970
<b>Net income / (expenditure) for the year and net movement in funds</b>		<b>(4,032)</b>	<b>59,502</b>	<b>55,470</b>	<b>237,170</b>	<b>20,364</b>	<b>257,534</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		865,270	468,920	<b>1,334,190</b>	628,100	448,556	1,076,656
<b>Total funds carried forward</b>		<b>861,238</b>	<b>528,422</b>	<b>1,389,660</b>	<b>865,270</b>	<b>468,920</b>	<b>1,334,190</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

# Hospices of Hope Limited

## Statement of financial activities (incorporating an income and expenditure account)

For the year ended 31 December 2021

### Charity only figures

	Unrestricted £	Restricted £	2021 Total £	Unrestricted £	Restricted £	2020 Total £
<b>Income from:</b>						
Donations and legacies	211,861	588,797	<b>800,658</b>	502,023	505,166	1,007,189
Government grants with regard to Coronavirus	348,681	–	<b>348,681</b>	567,161	–	567,161
Donation from trading company	–	–	–	110,000	–	110,000
Donation proceeds from donated goods	1,051,212	–	<b>1,051,212</b>	826,443	–	826,443
Other trading activities						
Charge to trading company	3,000	–	<b>3,000</b>	–	–	–
Events and promotions	145,581	7,732	<b>153,313</b>	31,436	34,351	65,787
Investments	11,069	–	<b>11,069</b>	13,923	–	13,923
Profit on sale of fixed assets	–	–	–	–	–	–
Other	360	–	<b>360</b>	1,699	3,583	5,282
<b>Total income</b>	<b>1,771,764</b>	<b>596,529</b>	<b>2,368,293</b>	<b>2,052,685</b>	<b>543,100</b>	<b>2,595,785</b>
<b>Expenditure on:</b>						
Raising funds						
Cost of generating voluntary income	235,583	–	<b>235,583</b>	247,295	–	247,295
Cost of events and promotions	34,579	–	<b>34,579</b>	2,468	–	2,468
Costs of selling donated goods	1,078,413	–	<b>1,078,413</b>	1,087,035	–	1,087,035
Charitable activities						
Advocacy and promotion	10,065	–	<b>10,065</b>	9,916	–	9,916
Technical assistance	39,171	–	<b>39,171</b>	39,663	–	39,663
Hospice education	–	–	–	–	–	–
Funding support & hospice services	377,946	508,703	<b>886,649</b>	351,660	495,384	847,044
<b>Total expenditure</b>	<b>1,775,757</b>	<b>508,703</b>	<b>2,284,460</b>	<b>1,738,037</b>	<b>495,384</b>	<b>2,233,421</b>
<b>Net income / (expenditure) and net</b>	<b>(3,993)</b>	<b>87,826</b>	<b>83,833</b>	<b>314,648</b>	<b>47,716</b>	<b>362,364</b>
<b>Transfers between funds</b>	<b>28,324</b>	<b>(28,324)</b>	<b>–</b>	<b>27,352</b>	<b>(27,352)</b>	<b>–</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	901,873	468,920	<b>1,370,793</b>	559,873	448,556	1,008,429
<b>Total funds carried forward</b>	<b>926,204</b>	<b>528,422</b>	<b>1,454,626</b>	<b>901,873</b>	<b>468,920</b>	<b>1,370,793</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20 to the financial statements.

# Hospices of Hope Limited

## Balance sheet

Company no. 04120082

As at 31 December 2021

		The group	2020	The charity	2020
	Note	2021	2020	2021	2020
		£	£	£	£
<b>Fixed assets:</b>					
Tangible assets	11	603,359	599,817	560,317	557,888
Investments	12	–	–	65,451	65,451
		<b>603,359</b>	<b>599,817</b>	<b>625,768</b>	<b>623,339</b>
<b>Current assets:</b>					
Stock	14	16,234	18,431	7,256	2,961
Debtors	15	149,463	187,042	188,000	235,177
Cash at bank and in hand		1,049,703	1,080,518	1,048,302	1,048,458
		<b>1,215,400</b>	<b>1,285,991</b>	<b>1,243,558</b>	<b>1,286,596</b>
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	16	(112,321)	(164,388)	(105,022)	(159,912)
<b>Net current assets</b>		<b>1,103,079</b>	<b>1,121,603</b>	<b>1,138,536</b>	<b>1,126,684</b>
<b>Total assets less current liabilities</b>		<b>1,706,438</b>	<b>1,721,420</b>	<b>1,764,304</b>	<b>1,750,023</b>
Creditors: amounts falling due after one year	17	(309,678)	(379,230)	(309,678)	(379,230)
Provisions for liabilities	18	(7,100)	(8,000)	–	–
<b>Total net assets</b>	19	<b>1,389,660</b>	<b>1,334,190</b>	<b>1,454,626</b>	<b>1,370,793</b>
<b>Funds:</b>	20				
Restricted income funds		528,422	468,920	528,422	468,920
Unrestricted income funds:					
General funds		860,741	836,410	926,204	901,873
Designated funds		–	–	–	–
Non-charitable trading funds		497	28,860	–	–
Total unrestricted funds		<b>861,238</b>	<b>865,270</b>	<b>926,204</b>	<b>901,873</b>
<b>Total funds</b>		<b>1,389,660</b>	<b>1,334,190</b>	<b>1,454,626</b>	<b>1,370,793</b>

Approved by the Trustees on 11 May 2022 and signed on their behalf by

Marilyn Boggust  
Chair

**Hospices of Hope Limited**
**Consolidated statement of cash flows**
**For the year ended 31 December 2021**

	2021 £	£	2020 £	£
<b>Cash flows from operating activities</b>				
<b>Net (expenditure)/income for the reporting period (as per the statement of financial activities)</b>	<b>54,570</b>		255,564	
Depreciation charges	29,398		26,202	
Dividends and interest from investments	(1,211)		(13,923)	
Loss on disposal of fixed assets	7,612		5,191	
Decrease in stocks	2,197		16,647	
Decrease/(increase) in debtors	37,579		(52,089)	
(Decrease)/increase in creditors and provisions	(48,126)		5,533	
<b>Net cash provided by operating activities</b>		<b>82,019</b>		243,124
<b>Cash flows from investing activities:</b>				
Dividends and interest from investments	1,211		13,923	
Purchase of fixed assets	(40,552)		(204,904)	
<b>Net cash used in investing activities</b>		<b>(39,341)</b>		(190,981)
<b>Cash flows from financing activities:</b>				
Repayments of mortgage	(73,493)		–	
New borrowing in year	–		141,760	
<b>Net cash (used in)/ provided by financing activities</b>		<b>(73,493)</b>		141,760
<b>Change in cash and cash equivalents in the year</b>		<b>(30,815)</b>		193,903
Cash and cash equivalents at the beginning of the year		<b>1,080,518</b>		886,615
<b>Cash and cash equivalents at the end of the year</b>	a	<b>1,049,703</b>		1,080,518

**Analysis of cash and cash equivalents and of net debt**

	At 1 January 2020 £	Cash flows £	Other non- cash changes £	At 31 December 2021 £
Cash at bank and in hand	1,080,518	(30,815)	–	1,049,703
<b>a Total cash and cash equivalents</b>	<b>1,080,518</b>	<b>(30,815)</b>	<b>–</b>	<b>1,049,703</b>
Loans falling due within one year	15,381	–	4,619	20,000
Loans falling due after more than one year	387,790	(73,493)	(4,619)	309,678
<b>b Total net debt</b>	<b>403,171</b>	<b>(73,493)</b>	<b>–</b>	<b>329,678</b>



**1 Accounting policies**

**a) Statutory information**

Hospices of Hope (formerly Hospice of Hope Romania) is a charitable company limited by guarantee and is incorporated in the UK. The registered office address and principal place of business is 11 High Street, Otford, Kent, TN14 5PG.

**b) 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) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Hospices of Hope Trading Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the companies are disclosed in the notes of the charitable company's balance sheet.

**c) Public benefit entity**

The charitable company meets the definition of a public benefit entity under FRS 102.

**d) Going concern**

Covid 19 has had an impact on the activities for the current year, but the Trustees are of the opinion that the impact will not affect the ability of the charity to continue operating as a going concern because of the support of donors and the government throughout the pandemic.

The Trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

**e) Income**

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

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the group 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.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

**1 Accounting policies (continued)**

**f) Donations of goods, services and facilities**

Donated goods, professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the Trustees' annual report for more information about their contribution.

On receipt, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain goods, services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Donated goods received which are to be sold are recognised only once sold, with no value attributed to these as stock held at the year end.

The charity receives donated goods for use in its charitable activities. The majority of these gifts are for stoma bags which have no value in the UK and have no identifiable market value in Moldova, although the value to patients is invaluable. Other medical supplies are also difficult to value. Taking this into account the Trustees have concluded that the valuation in the financial statements should not include an amount for them.

**g) Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the charity; this is normally upon notification of the interest paid or payable by the bank.

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

**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. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charitable company in encouraging third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose and trading
- Expenditure on charitable activities includes the costs of grants, travel and equipment costs undertaken to further the purposes of the charity and their associated support costs

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

**j) Grants payable**

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the Trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is beyond the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

**1 Accounting policies (continued)**

**k) Allocation of support costs**

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, the cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

Support and governance costs are re-allocated to each of the activities on the following basis which is an estimate, based on staff time, of the amount attributable to each activity

● Advocacy and promotion	1%
● Technical assistance	3%
● Funding support	63%
● Raising funds	33%

Governance costs are the costs associated with the governance arrangements of the charity. These costs are associated with constitutional and statutory requirements and include any costs associated with the strategic management of the charity's activities.

**l) Operating leases**

Rental charges are charged on a straight line basis over the term of the lease.

**m) Tangible fixed assets**

Items of tangible fixed assets are capitalised where the purchase price exceeds £500. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

● Freehold buildings	2% p.a. straight line
● Leasehold improvements	Period of the lease
● Office equipment	20% p.a. straight line
● Fundraising equipment	10–20% p.a. straight line

Fundraising equipment includes assets relating to the bistro and retail operation.

**n) Investments in subsidiary**

Investment in subsidiary is at cost.

**o) Stocks**

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks.

**p) 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.

**q) 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.

**1 Accounting policies (continued)****r) Creditors and provisions**

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

**s) 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.

**t) Pensions**

The charity provides a defined contribution pension scheme for staff. The assets of the scheme are held separately from those of the charitable company in an independently administered fund. The pension cost charge represents contributions payable under the scheme by the charitable company to the fund. The charitable company has no liability under the scheme other than for the payment of those contributions.

**2a Income from donations and legacies (current year)**

	Unrestricted £	Restricted £	2021 Total £
Donations from individuals (including gift aid)	179,468	243,687	423,155
Legacies	–	–	–
Churches, schools and community groups	7,008	10,532	17,540
Businesses	11,904	28,004	39,908
Other trusts	13,481	306,574	320,055
	<u>211,861</u>	<u>588,797</u>	<u>800,658</u>

**2b Income from donations and legacies (prior year)**

	Unrestricted £	Restricted £	2020 Total £
Donations from individuals (including gift aid)	371,132	191,642	562,774
Legacies	–	8,461	8,461
Churches, schools and community groups	14,590	4,100	18,690
Businesses	69,401	40,611	110,012
Other trusts	46,900	260,352	307,252
	<u>502,023</u>	<u>505,166</u>	<u>1,007,189</u>

**3a Events and promotions (current year)**

	Unrestricted £	Restricted £	2021 Total £
Fundraising events (UK)	145,581	7,731	153,312
Travel and insight events	–	1	1
	<u>145,581</u>	<u>7,732</u>	<u>153,313</u>

**3b Events and promotions (prior year)**

	Unrestricted £	Restricted £	2020 Total £
Fundraising events (UK)	31,426	25,376	56,802
Travel and insight events	10	8,975	8,985
	<u>31,436</u>	<u>34,351</u>	<u>65,787</u>

Hospices of Hope Limited

Notes to the financial statements

For the year ended 31 December 2021

4a Analysis of expenditure (current year)

	Charitable activities							
	Raising funds £	Advocacy and promotion £	Technical assistance £	Funding support & hospice services £	Governance costs £	Support costs £	2021 Total £	2020 Total £
Staff costs (Note 6)	842,808	8,976	35,904	96,067	–	21,837	1,005,592	918,392
Moldova branch costs	12,805	–	–	94,028	–	–	106,833	165,098
Albania branch costs	–	–	–	–	–	–	–	8,000
Transfers and equipment	–	–	–	15,158	–	–	15,158	20,241
Travel	1,491	–	–	5,191	–	–	6,682	5,504
Premises	341,928	–	–	–	–	5,066	346,994	313,548
Interest payable	–	–	–	–	–	10,514	10,514	8,806
Grants payable (Note 8)	–	–	–	605,900	–	–	605,900	524,621
Other costs	320,148	–	–	–	–	47,244	367,392	332,490
Legal and professional fees	428	–	–	–	16,500	7,738	24,666	45,981
Exchange rate losses	–	–	–	2,062	–	–	2,062	(7,419)
	1,519,608	8,976	35,904	818,406	16,500	92,399	2,491,793	2,335,262
Support costs	30,800	924	2,772	57,903	–	(92,399)	–	–
Governance costs	5,500	165	495	10,340	(16,500)	–	–	–
<b>Total expenditure 2021</b>	<b>1,555,908</b>	<b>10,065</b>	<b>39,171</b>	<b>886,649</b>	<b>–</b>	<b>–</b>	<b>2,491,793</b>	<b>–</b>
Total expenditure 2020	1,438,639	9,916	39,663	847,044	–	–	–	2,335,262

# Hospices of Hope Limited

## Notes to the financial statements

For the year ended 31 December 2021

### 4b Analysis of expenditure (prior year)

	Charitable activities						
	Raising funds	Advocacy and promotion	Technical assistance	Funding support & hospice services	Governance costs	Support costs	2020 Total
	£	£	£	£	£	£	£
Staff costs (Note 6)	785,252	8,976	35,904	50,938	–	37,322	918,392
Moldova branch costs	–	–	–	165,098	–	–	165,098
Albania branch costs	–	–	–	8,000	–	–	8,000
Transfers and equipment	–	–	–	20,241	–	–	20,241
Travel	3,317	–	–	2,048	139	–	5,504
Premises	310,298	–	–	–	–	3,250	313,548
Interest payable	–	–	–	–	–	8,806	8,806
Grants payable (Note 8)	–	–	–	524,621	–	–	524,621
Other costs	282,727	–	–	9,039	–	40,724	332,490
Legal and professional fees	17,456	–	–	–	20,500	8,025	45,981
Exchange rate losses	–	–	–	(7,419)	–	–	(7,419)
	1,399,050	8,976	35,904	772,566	20,639	98,127	2,335,262
Support costs	32,709	777	3,106	61,535	–	(98,127)	–
Governance costs	6,880	163	653	12,943	(20,639)	–	–
<b>Total expenditure 2020</b>	<b>1,438,639</b>	<b>9,916</b>	<b>39,663</b>	<b>847,044</b>	<b>–</b>	<b>–</b>	<b>2,335,262</b>

## 5 Net income / (expenditure) for the year

This is stated after charging:

	2021 £	2020 £
Depreciation	29,398	26,202
Loss on disposal of fixed assets	7,612	5,193
Operating lease rentals:		
Property	286,539	260,703
Auditor's remuneration (excluding VAT):		
Audit	16,500	20,500
	<b>16,500</b>	<b>20,500</b>

## 6 Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel

Staff costs were as follows:

	2021 £	2020 £
Salaries and wages	934,410	854,457
Social security costs	57,737	50,287
Employer's contribution to defined contribution pension schemes	13,445	13,648
	<b>1,005,592</b>	<b>918,392</b>

No employee earned more than £60,000 during the year (2020: nil).

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £128,673 (2020: £141,274).

The charity Trustees were neither paid nor received any other benefits from employment with the charity, or from expenses in the year (2020: £nil). No charity trustee received payment for professional or other services supplied to the charity (2020: £nil).

## 7 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was 62 (2020: 66).

## 8 Grants Payable

	2021 £	2020 £
Adunatii Copaceni renovation	–	109,432
Hospice Casa Sperantei	278,602	153,899
Hospice Emmanuel	30,000	17,986
Serbia	131,977	110,335
Greece	20,000	–
Albania	145,321	132,969
	<b>605,900</b>	<b>524,621</b>



**9 Related party transactions**

Aggregate donations from connected parties were £23,310, £14,370 of which was restricted (2020: £8,161).

Anna Perolls is the CEO of Hospices of Hope, during the year. Her father, mother and brother are also employed by the charity. Anna Perolls and Graham Perolls (Anna's father) sit on the board of Hospice Casa Sperantei and are assembly members of Belhospice, Serbia, but ultimately the trustees make the decisions to award grants.

**10 Taxation**

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiary Hospices of Hope Trading Ltd gift aids available profits to the parent charity. Its corporation tax in the year was:

	2021 £	2020 £
(Loss)/Profit for the year before tax	(30,542)	3,202
Add back depreciation and other disallowable costs	6,339	3,966
Less capital allowances	(7,452)	4,438
Other adjustments	182	(722)
	<hr/>	<hr/>
(Loss)/Profit chargeable to tax	(31,473)	10,884
Loss allocated against prior years	17,483	(10,884)
	<hr/>	<hr/>
Losses carried forward	(13,990)	–
	<hr/>	<hr/>
Corporation tax charge arising on earlier years	(2,043)	(1,279)
Corporation tax refund arising in year	3,322	–
Deferred taxation: credit	900	1,970
	<hr/>	<hr/>
<b>Tax on results on ordinary activities</b>	<b>2,179</b>	<b>691</b>
	<hr/>	<hr/>

## 11 Tangible fixed assets

The group	Freehold property £	Leasehold improvements £	Office equipment £	Fundraising equipment £	Total £
<b>Cost</b>					
At the start of the year	633,209	93,262	14,029	79,925	820,425
Additions in year	26,187	4,563	2,350	7,452	40,552
Disposals in year	–	(13,928)	–	(850)	(14,778)
At the end of the year	659,396	83,897	16,379	86,527	846,199
<b>Depreciation</b>					
At the start of the year	119,974	59,905	10,027	30,702	220,608
Charge for the year	13,188	6,388	1,682	8,140	29,398
Eliminated on disposal	–	(6,826)	–	(340)	(7,166)
At the end of the year	133,162	59,467	11,709	38,502	242,840
<b>Net book value</b>					
<b>At the end of the year</b>	526,234	24,430	4,670	48,025	603,359
At the start of the year	513,235	33,357	4,002	49,223	599,817

£526,234 (2020: £513,235) of freehold land and buildings, in both the group and the charity, has been pledged as security for a mortgage liability.

The charity	Freehold property £	Leasehold improvements £	Office equipment £	Fundraising equipment £	Total £
<b>Cost</b>					
At the start of the year	633,209	87,142	14,029	24,203	758,583
Additions in year	26,187	4,563	2,350	–	33,100
Disposals in year	–	(13,928)	–	(850)	(14,778)
At the end of the year	659,396	77,777	16,379	23,353	776,905
<b>Depreciation</b>					
At the start of the year	119,974	55,613	10,027	15,081	200,695
Charge for the year	13,188	5,775	1,682	2,414	23,059
Eliminated on disposal	–	(6,826)	–	(340)	(7,166)
At the end of the year	133,162	54,562	11,709	17,155	216,588
<b>Net book value</b>					
<b>At the end of the year</b>	526,234	23,215	4,670	6,198	560,317
At the start of the year	513,235	31,529	4,002	9,122	557,888

**12 Subsidiary undertaking**

The charitable company owns the whole of the issued ordinary share capital of Hospices of Hope Trading Limited, a company registered in England. The shares are valued in the accounts at the original nominal value in 2007 plus the amount retained as net assets at the date of acquisition, plus an additional £20,000 invested in shares in 2016.

	<b>Charity</b>	
	<b>2021</b>	2020
	<b>£</b>	£
Shares in Hospices of Hope Trading Limited	<b>65,451</b>	65,451

The subsidiary is used to raise money for the charity. All activities have been consolidated on a line by line basis in the statement of financial activities. Available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below: The results in the consolidated SOFA exclude intergroup transactions.

	<b>2021</b>	2020
	<b>£</b>	£
Turnover	<b>180,287</b>	105,042
Cost of sales	<b>(79,019)</b>	(44,595)
Gross profit	<b>101,268</b>	60,447
Administrative expenses	<b>(141,968)</b>	(55,130)
Other operating income	<b>10,641</b>	–
Operating profit	<b>(30,059)</b>	5,317
Interest payable	<b>(483)</b>	(836)
Profit on ordinary activities before tax	<b>(30,542)</b>	4,481
Deferred tax (charge)/credit	<b>2,179</b>	691
Profit for the financial year	<b>(28,363)</b>	5,172
The aggregate of the assets, liabilities and reserves was:		
Assets	<b>56,756</b>	90,781
Liabilities	<b>(56,259)</b>	(61,921)
Net assets	<b>497</b>	28,860

**13 Parent charity**

The parent charity's gross income and the results for the year are disclosed as follows:

	<b>2021</b>	2020
	<b>£</b>	£
Gross income	<b>2,368,293</b>	2,595,785
Result for the year	<b>83,833</b>	362,364

**14 Stock**

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Goods for resale	<b>16,234</b>	18,431	<b>7,256</b>	2,961
	<b>16,234</b>	18,431	<b>7,256</b>	2,961

**15 Debtors**

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Gift aid recoverable	<b>33,301</b>	22,511	<b>33,301</b>	22,511
Due from group entities	<b>–</b>	–	<b>41,860</b>	49,445
Other debtors	<b>21,894</b>	82,686	<b>18,571</b>	82,686
Prepayments	<b>94,268</b>	81,845	<b>94,268</b>	80,535
	<b>149,463</b>	187,042	<b>188,000</b>	235,177

£23,000 of the amount due from group entities is due in more than one year (2020: £23,000).

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

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Other loans	<b>15,000</b>	15,000	<b>15,000</b>	15,000
Bank loans	<b>20,000</b>	23,941	<b>20,000</b>	23,941
Taxation and social security	<b>17,078</b>	12,980	<b>14,369</b>	12,491
Other creditors	<b>8,549</b>	81,364	<b>3,959</b>	77,377
Accruals	<b>51,694</b>	31,103	<b>51,694</b>	31,103
	<b>112,321</b>	164,388	<b>105,022</b>	159,912

**17 Creditors: amounts falling due after one year**

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Mortgage on 11 – 13 High Street, Otford	<b>309,678</b>	379,230	<b>309,678</b>	379,230
	<b>309,678</b>	379,230	<b>309,678</b>	379,230

Security of £230,138 (2020: £246,110) has been given by the group in relation to the mortgage creditor in note 15 and 16 by the following:

- first fixed legal charge with full title guarantee over the freehold interest in the property;
- a cross guarantee; and
- a negative pledge.

	<b>The group</b>		<b>The charity</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Loan maturity analysis</b>				
In under one year	<b>35,000</b>	38,941	<b>35,000</b>	38,941
In more than one year but not more than two years	<b>20,200</b>	29,500	<b>20,200</b>	29,500
In more than two years but not more than five years	<b>62,234</b>	92,234	<b>62,234</b>	92,234
In more than five years	<b>227,244</b>	257,496	<b>227,244</b>	257,496
	<b>344,678</b>	418,171	<b>344,678</b>	418,171

**18 Provisions – Group**

	<b>Deferred tax liability</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
At the start of the year	8,000	<b>8,000</b>
Provided for in the year	(900)	<b>(900)</b>
At the end of the year	<b>7,100</b>	<b>7,100</b>

Provision for tax has been made in the trading subsidiary.

The Charity does not have any provisions for liabilities.

19a Analysis of group net assets between funds (current year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	603,359	–	603,359
Net current assets	574,657	528,422	1,103,079
Long term liabilities	(309,678)	–	(309,678)
Provisions for liabilities	(7,100)	–	(7,100)
<b>Net assets at 31 December 2021</b>	<b>861,238</b>	<b>528,422</b>	<b>1,389,660</b>

19b Analysis of group net assets between funds (prior year)

	General unrestricted £	Restricted funds £	Total funds £
Tangible fixed assets	599,817	–	599,817
Net current assets	652,683	468,920	1,121,603
Long term liabilities	(379,230)	–	(379,230)
Provisions for liabilities	(8,000)	–	(8,000)
<b>Net assets at 31 December 2020</b>	<b>865,270</b>	<b>468,920</b>	<b>1,334,190</b>

## 20a Movements in funds (current year)

	At 1 January 2021 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2021 £
<b>Restricted funds:</b>					
Serbia	339	111,154	(87,413)		24,080
Moldova	88,018	196,417	(66,580)		217,855
Hospice Casa Sperantei	79,033	136,427	(167,849)		47,611
Summer Camps	9,313	152			9,465
Bucharest Children's Centre	50,590	202	(103)		50,689
Medicor Grant Children's Centre	133,629	1,907	(9,413)		126,123
Albania	106,338	113,672	(176,064)		43,946
Oxford building	–	28,324		(28,324)	–
Bagpuss	1,660	8,274	(1,281)		8,653
<b>Total restricted funds</b>	<b>468,920</b>	<b>596,529</b>	<b>(508,703)</b>	<b>(28,324)</b>	<b>528,422</b>
<b>Unrestricted funds:</b>					
<b>General funds</b>	836,410	1,758,906	(1,762,899)	28,324	860,741
<b>Designated funds</b>	–	–	–		–
<b>Non-charitable trading funds</b>	28,860	190,928	(219,291)		497
<b>Total unrestricted funds</b>	<b>865,270</b>	<b>1,949,834</b>	<b>(1,982,190)</b>	<b>28,324</b>	<b>861,238</b>
<b>Total funds</b>	<b>1,334,190</b>	<b>2,546,363</b>	<b>(2,490,893)</b>	<b>–</b>	<b>1,389,660</b>

The narrative to explain the purpose of each fund is given at the foot of the note below.

## 20b Movements in funds (prior year)

	At 1 January 2020 £	Income & gains £	Expenditure & losses £	Transfers £	At 31 December 2020 £
<b>Restricted funds:</b>					
Serbia	13,150	28,947	(43,206)	1,109	–
Serbia Country Manager	(16)	32,051	(31,696)	–	339
Moldova – Medicor & other income	44,681	54,230	(60,197)	–	38,714
Moldova BMS Grant	48,120	44,738	(43,554)	–	49,304
Hospice Casa Sperantei	15,408	135,284	(71,659)	–	79,033
Summer Camps	7,080	9,572	(7,339)	–	9,313
Bucharest Children's Centre	123,448	9,596	(82,454)	–	50,590
Medicor Grant Children's Centre	133,629	–	–	–	133,629
Albania	62,873	187,549	(144,084)	–	106,338
Oxford building	–	28,461	–	(28,461)	–
Bagpuss	183	12,672	(11,195)	–	1,660
<b>Total restricted funds</b>	<b>448,556</b>	<b>543,100</b>	<b>(495,384)</b>	<b>(27,352)</b>	<b>468,920</b>
<b>Unrestricted funds:</b>					
<b>General funds</b>	364,412	1,942,683	(1,738,037)	267,352	836,410
<b>Designated</b>	130,000	–	–	(130,000)	–
<b>Non-charitable trading funds</b>	133,688	105,042	(99,870)	(110,000)	28,860
<b>Total unrestricted funds</b>	<b>628,100</b>	<b>2,047,725</b>	<b>(1,837,907)</b>	<b>27,352</b>	<b>865,270</b>
<b>Total funds</b>	<b>1,076,656</b>	<b>2,590,825</b>	<b>(2,333,291)</b>	<b>–</b>	<b>1,334,190</b>

**Purposes of restricted funds**

Serbia – Funds for Serbia are donated to meet some of the costs of running BELhospice in Belgrade which was launched in June 2005.

Serbia Country Manager – An individual has committed to support the Country Manager based in Belgrade.

Moldova BMS – The fund is attached to a grant from BMS Foundation, the purpose of the project is to develop a national network of palliative care. This particular fund covers the expenses of two hospice teams in the south of the country.

Hospice Casa Sperantei – Funds to support the work of our partner in Romania in Brasov, Bucharest, Fagaras and Zarnesti.

Summer Camps – This fund is used to set up and run summer camps and holiday clubs run in Romania for patients and children who have been bereaved in previous years. The fund pays for these children to travel to and attend the activity weeks.

Bucharest Children Centre – The children's hospice is founded at Adunatii Copaceni, 18km south of Bucharest. The land and buildings were donated by the Florescu family in 2012.

Medicor Grant Children's Centre – The fund was attached to a grant from the Medicor Foundation, for the support and development of a ground breaking centre for vulnerable children and their families.

Albania – The fund was created to support the development of a national network for palliative care, replicating the successful model from Moldova.

Oxford Build – This relates to funds provided for the Oxford Bistro. These funds were spent during the year as part of the larger project. The balance has therefore been released from restricted funds.

Bagpuss – Funds generated with regard to the Bagpuss rights are restricted for the children's work in Romania.



## 21 Operating lease commitments

The group's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2021 £	2020 £
Less than one year	244,500	227,750
One to five years	486,020	544,895
Over five years	94,500	148,500
	<b>825,020</b>	<b>921,145</b>

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods:

	Property 2021 £	2020 £
Less than one year	244,500	227,750
One to five years	486,020	544,895
Over five years	94,500	148,500
	<b>825,020</b>	<b>921,145</b>

## 22 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.