THE NORTH NORTHUMBERLAND HOSPICE

England & Wales · Charity number 1103635

Details

Other names	HOSPICECARE NORTH NORTHUMBERLAND
Status	Registered
Legal form	Charitable company
Company number	04925273
Registered	2004-05-07
Register	View on the Charity Commission register

Contact

Address	Unit 3 Greensfield Industrial Estate Willowburn Avenue Alnwick NE66 2DG
Phone	01665606515
Email	admin@hospicecare-nn.org.uk
Website	www.hospicecare-nn.org.uk

Activities

Objects: THE CARE AND RELIEF OF PERSONS SUFFERING FROM POTENTIALLY LIFE-LIMITING ILLNESS, THE SUPPORT OF CARERS AND OF THE BEREAVED, ALL IN SUCH WAYS AS THE TRUSTEES SHALL FROM TIME TO TIME THINK FIT, AND PRIMARILY IN NORTH NORTHUMBERLAND.THE PROVISION IN THE INTERESTS OF SOCIAL WELFARE OF RECREATIONAL FACILITIES FOR SUCH PERSONS.

Activities: Two centre hospice providing therapeutic clinics, hospice at home, lymphoedema management, bereavement support, and a range of complementary therapies.

Classification

- **How:** Provides Human Resources, Provides Services, Provides Advocacy/advice/information
- **What:** The Advancement Of Health Or Saving Of Lives, Disability
- **Who:** Other Defined Groups, The General Public/mankind

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Geography

- **Area of benefit:** NORTH OF NORTHUMBERLAND
- Northumberland

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£1,185,600	£1,247,920	£839,291	53
2024-03-31	£1,082,632	£1,220,463	£901,611	47
2023-03-31	£808,036	£898,739	£1,039,442	44
2022-03-31	£1,048,019	£948,787	£1,130,145	46
2021-03-31	£1,089,937	£791,499	£1,030,913	46

Trustees

Name	Role	Appointed
David Thorne		2024-07-15
Elaine Claire Beauchamp		2022-05-30
Ewan Shepherd		2025-01-20
Gaynor Louise Jones		2025-01-20
John Cooke MBE		2022-09-20
Kim Francesca Binder		2025-11-03
Lesley Clark		2025-04-28
Sir Alan William Craft		2023-07-17
Susan Elizabeth Sherrard		2022-03-22

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THE NORTH NORTHUMBERLAND HOSPICE

England & Wales - Charity number 1103635

Accounts

Charity registration number 1103635 (England and Wales)

Company registration number 04925273

THE NORTH NORTHUMBERLAND HOSPICE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2025

THE NORTH NORTHUMBERLAND HOSPICE

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	The Lady Joicey	
Trustees	Mrs E C Beauchamp	
	Mrs S E Sherrard	
	Mr J Cooke MBE	
	Sir A W Craft	
	Mr D R Thorne	(Appointed 15 July 2024)
	Ms Gaynor Jones	(Appointed 20 January 2025)
	Mrs L Clark	(Appointed 28 April 2025)
	Mr Ewan Shepherd	(Appointed 20 January 2025)
Key management personnel	C Orife, CEO	
	T Waller, Head of Finance and Operations	
	A Corak, Head of Care	
	L Bell, Head of Income Generation	
Charity number	1103635	
Company number	04925273	
Registered office	Unit 3 Willowburn Avenue Alnwick Northumberland NE66 2DG	
Auditor	Saint & Co. Sterling House Wavell Drive Rosehill Carlisle CA1 2SA	
Bankers	HSBC 110 Grey Street Newcastle Upon Tyne NE1 6JG	

THE NORTH NORTHUMBERLAND HOSPICE

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THE NORTH NORTHUMBERLAND HOSPICE

CHAIRPERSON'S REPORT

FOR THE YEAR ENDED 31 MARCH 2025

This past year for HospiceCare North Northumberland, has been a period of bedding in the first year of our 2024-2027 Strategy. Key to implementation of this strategy has been the trustee recruitment of a full time CEO, Chris Orife, who had been supporting us as Interim CEO and was previously our Head of Care. Chris was appointed full time CEO in June 2024. This appointment has significantly improved both the consistency and quality of leadership within the organization; and also improved working relations at Board level to the benefit of all. Our CEO has furthermore, with the approval and support of the trustees, appointed a new Head of Income Generation in April 2024, a full time Head of Finance and Operations in July 2024 and a Retail Operations Manager in June 2024.

The Board and Senior Management Team met in February 2025 to review the Strategic Plan for the upcoming financial year. We have also built on the October 2023 CQC inspection which resulted in an overall good rating along with three outstanding acknowledgements for our home visits. This outcome has been a huge motivation to all concerned in driving for continued commitment to excellence of care.

We have consolidated existing services and further expanded the range of services to include active listening support counselling for pre-bereavement and bereavement. Details of our services are included below in Achievements and Performance.

In response to the July 2023 External Board Effectiveness Governance Review, we established an Integrated Governance Committee to implement key recommendations, monitor these actions and continuously review our progress. In 2025, the Board decided to change from bi-monthly to a quarterly meeting cycle for all committees, to better align with quarterly operational reporting.

As part of the Board Effectiveness Review, we have also comprehensively reviewed and updated of our Articles of Association, seeking legal advice from Womble, Bond Dickinson. Additionally, the trustee Code of Conduct, and the trustee recruitment and induction process were thoroughly reviewed and updated, thereby further strengthening our governance efficacy.

We have continued our close relationship and collaboration with Tynedale Hospice at Home. The Joint Steering Committee met three times during the year to exchange ideas, share developments and information, including discussions on a shared vision for enhancing palliative care across Northumberland. With Tynedale Hospice at Home we developed a shared Job Description for our Dementia Specialist Nurse and we continue to work collaboratively with Tynedale Hospice at Home's Dementia Specialist nurse to share best practice in the care of people with dementia.

We continue to be challenged with rising costs and economic pressures which has meant fundraising needs to be innovative and inventive. For the upcoming financial year, we must raise over £1.3 million annually, with only 4% of our funding coming from the NHS.

We are extremely grateful to our Senior Management Team, staff, volunteers, and everyone who supports us, including our individual and corporate donors, Trusts, Ambassadors, charity shop customers. Your generosity enables us to continue providing vital end-of-life care. We thank you for sharing our passion and commitment to high-quality palliative care.

.....
Elaine Beauchamp
Chairperson

Date: .....

THE NORTH NORTHUMBERLAND HOSPICE

TRUSTEES' REPORT (INCLUDING DIRECTOR'S REPORT)

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also directors for the purposes of company law, present their annual report and financial statements for the year ended 31 March 2025.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Objects and aims

Founded in 1995, the Hospice provides palliative care to people who have life limiting illnesses. We address physical, emotional, social and psychological needs, enhancing quality of life while at the same time supporting carers and families.

The Hospice objects, which have been reviewed in 2024 as part of the Articles of Association review, are:

- The care and relief of persons suffering from a potentially life-limiting illness, the support of carers and the bereaved, all in such ways as the Trustees shall from time-to-time think fit, and primarily in North Northumberland.
- The provision of wellbeing and therapeutic support services for such persons.

The Hospice operates from two sites, Alnwick and Berwick-upon-Tweed, to accommodate the largely rural and sparsely populated area of North Northumberland. Patient choice and their individual needs determine where HospiceCare services are delivered, whether at home or in the Hospice building. The Hospice adopts a holistic approach to patients and families, offering services and interventions of care and support which are flexible and tailored to meet patient individual needs.

We are caring, we pursue excellence, we innovate, we collaborate, we communicate, and we adopt a can-do attitude. We are the HospiceCare North Northumberland.

The Trustees regularly review our objectives, aims and activities. This review encompasses the number of people in need we reach, the type and extent of services we provide, and the benefits we bring to our patients and their families. Palliative care is a continually developing field, and we respond by expanding our services to achieve the best possible individualised outcome for each patient. We have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional third-party fundraiser or commercial participator to raise funds. Any monies raised direct from the public follow all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Review of Activities and the Public Benefit

At the end of the financial reporting period, we provided the following operational services for the public benefit.

Nursing - Hospice at Home Service

Hospice@Home delivers end of life care to adults aged 18 years and over in their own home. We employ a team of Registered Nurses and Hospice Support Workers to support patients 356 days a year 24 hours a day.

Our nursing team works with the Primary Care Network team of GPs, community nurses, palliative care specialist nurses, and allied health professionals across North Northumberland to provide nursing care to beneficiaries on the palliative register.
Our Hospice Registered Nurses:

- Assess and review patients regularly to adjust care needed to provide the right care to the family and patient with a life limiting illness.
- Offer advice and support to those suffering life-limiting illnesses and their cares
- Work closely with members of the multidisciplinary team to give quality care
- Administer direct nursing care and medication in response to symptom management

We have continued to recruit to our team of Registered Nurses to enable the shift from a predominantly personal care delivery model to a Nursing care delivery model in line with CQC-regulated activities. We continue to increase the provision of care delivered to residents in all areas of North Northumberland.

Our CQC inspection in October 2023 rated our services “GOOD” in all areas.

Dementia

Walking football, seated exercises & cafes in Berwick and Alnwick

Our service supports adults aged 18 and over living with a Dementia diagnosis and their carers, we support people from initial diagnosis to end of life. Our Specialist Dementia Nurse & team, work closely with the Admiral Nurses, Dementia Support Workers & Post Diagnostic Team. The service has increased its presence including starting a new seated exercise class, supporting a new Café in Rothbury, offering advice and teaching sessions to care facilities and increasing the number of clients supported at home. The therapeutic cafes and activities are run weekly within the community center in Alnwick and a local bowling club & sports center in Berwick. Café attendances in both Alnwick and Berwick have increased and are well attended. We have introduced improvements to our Dementia service by recruiting and training additional volunteers, and have undertaken an extensive marketing campaign.

Family/Bereavement Active-listening Support Counselling Service within-GP practises

We provide an active listening and support service for those who have experienced bereavement or pre-bereavement. We offer support for those caring for loved ones with a life-limiting illness, and our trained volunteers understand the feelings of grief and loss associated with bereavement. Bereavement support services are offered in either of our Wellbeing Centers in Alnwick or Berwick, face to face or by telephone.

In January 2025 our trained counsellor participated in a very successful 6-month pilot scheme to provide counselling to more complex bereaved clients within four GP practises in North Northumberland in Alnwick, Wooler, Belford and Berwick. The pilot was so successful we have agreed to expand the service to all GP surgeries in Well up North, including Morpeth & Alnwick once funding has been secured.

Activity April 2024 - March 2025

During 2024/25 we developed a range of Key Performance Indicators to highlight the demand and delivery of services to patients and clients in our communities. As a result of this development our data capture in 2024/25 has focused on the number and complexities of patients and client needs, we have supported, therefore direct comparisons between activity in 2023/24 and 2024/25 is not appropriate.

We will continue to refine data capture via KPI and our Balanced Scorecard approach throughout 2025/26. We share activity performance data with our North East and North Cumbria Hospice Collaborative colleagues and with Hospice UK. Activity data is also shared for the purposes of applying for Trusts and Grants.

Referrals Hospice at Home	Patients supported	Hours of care given Registered Nurse	Hours of Care given Hospice Support Worker
137	132	3,128	6,732

Referrals Dementia Services	Walking Football Attendance Seated exercise	Café Attendance- Berwick	Café Attendance- Alnwick
49	296	87(starting-November 24)	145

Referrals Bereavement Services Active-listening counselling	Clients supported	Café attendances- Berwick	Café attendances- Alnwick
120	162	107	149

Fundraising

All our services are delivered free at the point of need. To ensure we can continue to deliver care and support to the local communities, we expect our running costs for 2025/26 to be around £1.4m. We receive only 4% of this as a contribution from the NHS. The remainder has to be raised from donations, fundraising, legacies, trusts and our charity shops. Without this financial support from our local businesses and communities we simply wouldn't exist. The year 2024/ 2025 has been challenging for the Hospice, as it has been for most other Hospices in the UK. We are eternally grateful to our supporters, Ambassadors, donors, volunteers, staff and Trustees for their commitment to ensuring that we can continue to deliver sustainable services to patients within North Northumberland, both now and in the future.

We were delighted how well community fundraising performed, contributing to over £90,000 of income. We had a number of exceptional family fundraising efforts which in total raised £43,776 for the Hospice.

Another exceptional Community fundraising initiative was delivered by the Rothbury Women's Institute (WI) who published a nude calendar which raised £8,952. The WI achieved this through sales of their calendars to other WI members across the country and also via sales at a number of community events in Northumberland.

We were delighted to be chosen as the Mayor of Berwick's Charity. With this support, we raised £4,993 by running a number of events - an Open Garden, a Music event, Previously Loved play and Norham little Christmas event.

We were excited to receive an incredibly generous donation of £27,300 from The Mark Benevolent Fund, which is the official charity of the Grand Lodge of Mark Master Masons. This was used to fund the purchase of a replacement van which we used for transporting items between our shops as well as various items, e.g. chairs and tables used at our community fundraising events.

Our Open Gardens collectively raised over £35,000 for HospiceCare and we welcomed over 3,000 visitors.

Our Big Give Christmas Campaign started early in the year, ahead of the live giving week 3rd to 10th December 2024. This campaign raised £66,418 for the Hospice, which included gift aid . We extend special thanks to all those who donated and to those local businesses who organised an event to raise funds during our giving week.

Our Trusts and Grants also performed extremely well, gaining over £120,000 of donated income.

Analytics
We can report on an increased number of contacts across our website and social media platforms, as below:

- Website traffic 18,405 visits;
- Email click through/ open rates 43%;
- Number of subscribers to our newsletter 2,607;
- Number of Social media followers by platform: Facebook 6090; Instagram 793;
- Social media impression and engagement rates: Reach 181,000; Visits 33,581; Content Interaction 27,540

Ambassadors Pledge (£1,000 per year)

Year	23/24	24/25	Increase/ decrease %
Total amount including Gift Aid	£31,320	£35,739	14%
Number of Ambassador Donors	25	30	20%

Regular Donor

Year	23/24	24/25	Increase/ decrease %
Total amount including Gift Aid	£28,112	£24,514	(12%)
Number of Regular Donors	116	114	(1.7%)
Value per donor	£242	£215	(11%)

Volunteers
Our volunteer numbers have reduced from 175 in 203/24 to 162 in 2024/25. We will continue to attract new Volunteers to support us across our range of services. They are an invaluable part of the Hospice team.

Retail Performance
Income from the four charity shops in Amble, Wooler and Berwick (two stores), together with the online operation, generated £338,451 during the year. This represented an increase of £51,821 compared with 2023/24.

Our online store struggled to meet budgeted targets and was not fully operational from October 2024, with income continuing to trend below expectation. To mitigate this, additional platforms, including Vinted Pro and Etsy, were established and are now functioning.

During the year, the retail portfolio was expanded with the introduction of a new shop in December 2024, Tweed & Threads, which consolidates higher quality and designer clothing within a boutique style retail environment.

The Wooler store also expanded with the conversion of a former storage area into a separate retail space. This development has strengthened the store's performance, which had otherwise remained below target for much of the year.

A programme of stock rotation was introduced to enable merchandise to be circulated across stores, improving sales and reducing the volume of items sent for recycling. This initiative contributed to additional income generation while also lowering the charity's carbon footprint.

Pricing was reviewed and adjusted in line with prevailing market conditions, resulting in price increases of approximately 20 to 25 per cent, across many of our product ranges, compared with 2023/24.

In response to increased staffing costs arising from the increase in National Living Wage rates, together with National Insurance, trading hours across shops were shortened and standardised, and management hours were reduced. Greater use of volunteer led days has further supported cost control.

Looking forward to 2025/26, budgets have been revised to reflect a more realistic but appropriately challenging target. The majority of shops are expected to meet or exceed budget, with total projected income of £444,813.

Our People

Our Staff

The trustees recognise the commitment and hard work that the entire staff and volunteer team have shown during the year. During the year we have enhanced the Senior Management Team with new appointments. Our Income Generation Team worked tirelessly to encourage our community to support the hospice throughout the year; our Finance and Operations teams ensured all the systems within the hospice operated as effectively and efficiently as possible. Our unreserved thanks go to all the team.

Our Volunteers

We are fortunate to have approximately 162 enthusiastic and committed Volunteers who contribute many hours of time. Our Volunteers support the organisation with Active Listening bereavement support, Dementia activities including cafes, walking football and seated exercises fundraising events, retail shops, administrative work, helping at events and drivers. All these Volunteers are the lifeblood of HospiceCare.

In 2025 we plan to hold an annual Volunteer lunch, supported by our Patron, Lady Joicey, members of staff and trustees to show appreciation and recognition for all who have volunteered in many different capacities for HospiceCare North Northumberland.

Our Donors

Our community continue to support the Hospice with both generous donations of clothing and other preloved items for our retail shops and with financial contributions towards our running costs.

Key Management Personnel

The Board, who give their time freely (no trustees received remuneration in the year) have appointed Key Management Personnel (KMP). Together with the Board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day-to-day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pays levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any annual uplift to remuneration.

Financial review

Our total income in the year ending 31st March 2025 increased to £1,185,600 from £1,082,632 in the previous year. Spending however was at a similar level to last year, at £1,247,920, resulting in a deficit of £62,320 on activities in the year.

Fundraising income generated by our events was £79,108 reflecting our the success from our regular programme of events during the year.

Our retail income increased by £51,821 to £338,451 which reflects continued community support and the quality of our retail offer despite the challenging economic situation. We opened a new shop in Berwick-upon-Tweed, Tweed and Threads in December 2024 and have expectations that this will increase income from retail activities in the next financial year.

Income from our contracted service provision increased to £83,557 and income from investments benefitted significantly from higher interest rates, generating an income of £24,025.

Income from legacies was helped by one substantial amount and ended at £144,785. Legacies are a challenging source of income to predict, we are hopeful that continued support from donor legacies will ensue in the future as they are an important and valued source of income for continued service provision.

Our expenditure on Clinical services increased to £499,829 in 2025, a reflection of greater activity in delivery of our services. This expenditure includes all the costs associated with delivering our charitable services.

The charity's total funds decreased from £901,611 to £839,291 on 31 March 2025, of which £777,187 was unrestricted.

During the year we have made significant changes to our staffing structure, bringing in a new Head of Income Generation, a full time Head of Finance and Operations and a Retail Operations Manager.

There has been continued emphasis on increase the percentage of donations to shops which qualify for gift aid by requesting donors to sign up to gift aid when donating.

We will continue to consolidate and hopefully expand our clinical service offering to patients in need in the community, with a planned deficit for the next financial year. We are working on increasing new corporate and individual donation sources as well as challenging the NHS contribution to our funding which is low when compared to other care providers to the NHS.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves – those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of six to nine months of operation expenditure (up to a maximum of 12 months), which would equate to holding approximately £540,000 to £810,000 in free reserves.

At the year end, free reserves were £599,444 (2024: £749,244), a decrease of £149,800 in the year.

Plans for 2025-2027

During the past accounting year, the Trustees and Senior Management Team met in February 2025 to review the Strategic Plan for 2025-26. It was agreed to focus on the next financial year with the review based on the Strategic Plan for 2024- 2027. A detailed plan was finalised in March 2025. We are now in an extremely challenging income generation environment, with many competing and conflicting demands on charitable donations and activities aimed at individuals and organisations.

Our strategic goals will focus on excelling in the existing service provision; expanding our services to support more people as and when funding allows whilst maintaining exceptional quality in all our activities.

Fundraising will aim for sustainable income and further growth of income streams from corporate and individual donors. Our retail operations are working hard to ensure sustainable expansion and to establishing strong, reliable income streams.

The appointment of our full time CEO, Chris Orife, in June 2024 has provided stability and consistency for the whole scope of future Hospice service provision and fundraising initiatives.

Governance

Implementation of the April 2023 External Board Effectiveness Review recommendations is well underway, especially with the establishment of the Integrated Governance Committee. This committee reviews risk and governance quarterly, with an action centred plan, reporting back to the Board.

Collaboration

Following the formal Agreement signed in May 2023 between our Hospice and Tynedale Hospice at Home, work continues to ensure increased care delivery and efficiency through collaboration, sharing best practice and ensuring that the vital work of the Hospices is communicated to the wider public and our health colleagues in Hospitals, Trusts and Primary Care settings.

Investment in People

Staff continue to access the benefits of Westfield wellbeing services via their employment contracts and plans are underway to continue to develop our Staff Wellbeing offering in 25/26 which will include monthly “personal time” allocation for staff to undertake one hour of activity to support their personal wellbeing.

Structure, governance and management

Nature of governing document

The North Northumberland Hospice, operating as HospiceCare North Northumberland, (The Hospice) is the local charity supporting people living with life limiting illnesses.

The Hospice is a charitable company limited by guarantee, company number 04925753, and is a registered charity, number1103635 (England and Wales) incorporated on 8 October 2003. Following a rebranding in March 2008, the Hospice is known for trading purposes only as HospiceCare North Northumberland, but this does not affect either its charity or company registrations. The charitable company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up, members (the only class of which at present are current trustees and the company secretary) are required to contribute an amount not exceeding £10. The directors of the company are also charity trustees for the purpose of charity law.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs E C Beauchamp	
Mrs L H M Carroll	(Resigned 18 November 2024)
Mrs S E Sherrard	
Mr J Cooke MBE	
Mrs J A Raine	(Resigned 30 June 2025)
Sir A W Craft	
Mr D R Thorne	(Appointed 15 July 2024)
Ms Gaynor Jones	(Appointed 20 January 2025)
Mrs L Clark	(Appointed 28 April 2025)
Mr Ewan Shepherd	(Appointed 20 January 2025)

Induction and training of trustees

New trustees are invited to meet with the Chair and then a wider group of trustees prior to appointment, to gain an overall understanding of the day-to-day work of the Hospice. All trustees are provided with a comprehensive induction process, which was reviewed in December 2024 and revised for induction of our two new trustees in January 2025. The induction process is led by the Chair who also has review meetings with each trustee annually.

Organisational structure

The Hospice has a Board of trustees which comprises eight members, (one Trustee resigned in June 2025) with twelve being the maximum permitted under the Articles of Association. The trustees come from a variety of backgrounds, bringing an appropriate mix of clinical, professional and managerial skills and experience that enables them to contribute to the effective working of the Hospice. In January 2025 the trustees changed from bi-monthly Board meetings to quarterly meetings to better align the review process with operational information. Trustees review the governance of the operations and strategy, which are also attended by the Chief Executive and other members of the Senior Management Team as appropriate. Committees reporting to the Board have been established to deal with designated areas of trustee responsibility as follows:

• Clinical Governance Group – Chair: Sue Sherrard - Quarterly, between Board meetings, to review clinical governance, risks, clinical strategy and provide support for the senior team.

• Finance and Income Generation Committee – Chair: John Cooke - Quarterly, between Board meetings to review the financial performance of the organisation against financial budgets and forecasts, cash and reserves positions, fundraising strategy, risks, and all aspects of the related administrative support functions.

• Integrated Governance Committee – Chair: David Thorne - Quarterly, between Board meetings, to review strategic risks, overall governance, provision of adequate policies and procedures. The Integrated Governance Committee has been in place following adopting by the Board from July 2024, replacing the previous People and Support Services Committee and following an External Governance Review.

The CEO and Senior Management Team, along with the Board of trustees work to appropriate Charity Commission and Companies House Codes of Conduct. Copies of Standing Order Financial Instructions have been issued to all members of the Board and a Policy folder is available to all relevant persons.

All trustees, staff, and volunteers are subject to Disclosure and Barring Service checks where appropriate, before taking up a post with the Hospice.

The Hospice is registered with the Care Quality Commission, Information Commissioner's Office, Fundraising Regulators and Gambling Licensing Authority.

The Hospice operates a policy of Fair Treatment for all.

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Saint and Co as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

.....	.....
Mrs E C Beauchamp	Mr J Cooke MBE
Trustee	**Trustee**

Date: .....

THE NORTH NORTHUMBERLAND HOSPICE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2025

The trustees, who are also the directors of The North Northumberland Hospice for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE NORTH NORTHUMBERLAND HOSPICE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE NORTH NORTHUMBERLAND HOSPICE

Opinion

We have audited the financial statements of The North Northumberland Hospice (the 'charity') for the year ended 31 March 2025 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

The extent to which the audit was considered capable of detecting irregularities including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
    - performed analytical procedures to identify any unusual or unexpected relationships;
    - tested journal entries to identify unusual transactions;
    - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
    - investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saint & Co.
Chartered Accountants & Statutory Auditor
Sterling House
Wavell Drive
Rosehill
Carlisle
CA1 2SA
Date: .....

Saint & Co. is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NORTH NORTHUMBERLAND HOSPICE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Income and endowments from:							
Donations and legacies	**3**	552,036	104,654	656,690	554,096	34,000	588,096
Charitable activities	**4**	85,258	-	85,258	58,629	-	58,629
Other trading activities	**5**	419,627	-	419,627	418,891	-	418,891
Investments	**6**	24,025	-	24,025	16,566	-	16,566
Other income	**7**	-	-	-	450	-	450
Total income		1,080,946	104,654	1,185,600	1,048,632	34,000	1,082,632
Expenditure on:							
Raising funds	**8**	446,668	10,592	457,260	406,219	2,000	408,219
Charitable activities	**9**	746,742	43,918	790,660	780,244	32,000	812,244
Total expenditure		1,193,410	54,510	1,247,920	1,186,463	34,000	1,220,463
Net income/(expenditure)		(112,464)	50,144	(62,320)	(137,831)	-	(137,831)
Transfers between funds		-	-	-	5,832	(5,832)	-
Net movement in funds	**11**	(112,464)	50,144	(62,320)	(131,999)	(5,832)	(137,831)
Reconciliation of funds:							
Fund balances at 1 April 2024		889,651	11,960	901,611	1,021,650	17,792	1,039,442
Fund balances at 31 March 2025		777,187	62,104	839,291	889,651	11,960	901,611

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 18 to 33 form part of these financial statements.

THE NORTH NORTHUMBERLAND HOSPICE

BALANCE SHEET

AS AT 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Fixed assets					
Tangible assets	**16**		177,743		140,407
Current assets					
Debtors	**17**	171,000		301,987	
Cash at bank and in hand		553,271		549,191	
		724,271		851,178	
Creditors: amounts falling due within one year	**18**	(62,723)		(89,974)	
Net current assets			661,548		761,204
Total assets less current liabilities			839,291		901,611
The funds of the charity					
Restricted income funds	**21**		62,104		11,960
Unrestricted funds	**22**		777,187		889,651
			839,291		901,611

The notes on pages 18 to 33 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2025.

The director acknowledges her responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on .....

.....	.....
Mrs E C Beauchamp	Mr J Cooke MBE
Trustee	**Trustee**

Company registration number 04925273 (England and Wales)

THE NORTH NORTHUMBERLAND HOSPICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 £	2025 £	2024 £	2024 £
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	**26**		36,472		(45,291)
Investing activities					
Purchase of tangible fixed assets		(56,417)		(8,716)	
Proceeds from disposal of tangible fixed assets		-		450	
Investment income received		24,025		16,566	
Net cash (used in)/generated from investing activities			(32,392)		8,300
Net cash generated from financing activities			-		-
Net increase/(decrease) in cash and cash equivalents			4,080		(36,991)
Cash and cash equivalents at beginning of year			549,191		586,182
Cash and cash equivalents at end of year			553,271		549,191

The notes on pages 18 to 33 form part of these financial statements.

1 Accounting policies

Charity information

The North Northumberland Hospice is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 3 Willowburn Avenue, Alnwick, Northumberland, NE66 2DG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Charities SORP "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)". The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from grants receivable is recognised when the charity is entitled to the funds and any conditions linked to the grants have been met. Where performance related conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% straight line
Leasehold improvements	Straight line over 10 year lease term
Fixtures and fittings	10% - 20% straight line
Computers	50% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. All eligible employees are automatically enrolled into a workplace pension scheme. Some clinical staff are members of the NHS pension scheme.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £
Donations and gifts	407,251	85,900	493,151	304,942	34,000	338,942
Legacies	144,785	-	144,785	249,154	-	249,154
Grants	-	18,754	18,754	-	-	-
	552,036	104,654	656,690	554,096	34,000	588,096
Donations and gifts						
Community fundraising	92,991	3,000	95,991	44,607	3,000	47,607
Sponsored events and donations	266,380	-	266,380	212,185	-	212,185
Donations from trusts	47,880	82,900	130,780	48,150	31,000	79,150
	407,251	85,900	493,151	304,942	34,000	338,942

4 Income from charitable activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Services income		
Services provided under contract	83,557	56,172
Other income	1,701	2,457
	85,258	58,629

5 Income from other trading activities

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Fundraising events	79,108	130,096
Shop income	338,451	286,630
Sponsorships and social lotteries	2,068	2,165
Other trading activities	419,627	418,891

6 Income from investments

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Interest receivable	24,025	16,566

7 Other income

	Unrestricted funds 2025 £	Unrestricted funds 2024 £
Net gain on disposal of tangible fixed assets	-	450

8 Expenditure on raising funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£	£	£	£
Fundraising and publicity						
Membership schemes and social lotteries	824	-	824	972	-	972
Staging fundraising events	13,879	-	13,879	28,013	-	28,013
Advertising	6,554	-	6,554	14,519	-	14,519
Other fundraising costs	23,645	4,300	27,945	24,316	2,000	26,316
Staff costs	136,982	-	136,982	131,601	-	131,601
	181,884	4,300	186,184	199,421	2,000	201,421
Trading costs						
Operating charity shops	71,495	-	71,495	76,145	-	76,145
Staff costs	180,500	-	180,500	116,737	-	116,737
Depreciation and impairment	12,789	6,292	19,081	13,916	-	13,916
	264,784	6,292	271,076	206,798	-	206,798
Total costs	446,668	10,592	457,260	406,219	2,000	408,219

9 Expenditure on charitable activities

	Direct Cost 2025 £	Direct Cost 2024 £
Direct costs		
Staff costs	434,425	331,459
Depreciation and impairment	-	45,279
Travel expenses	42,635	35,931
Other hospice expenses	22,769	39,525
	499,829	452,194
Share of support and governance costs (see note 10)		
Support	278,224	333,301
Governance	12,607	26,749
	790,660	812,244
Analysis by fund		
Unrestricted funds	746,742	780,244
Restricted funds	43,918	32,000
	790,660	812,244

10 Support costs allocated to activities

	2025 £	2024 £
Staff costs	133,469	144,155
Consultancy fees	28,343	73,479
Marketing	181	2,420
Admin costs	48,122	48,454
Office equipment	2,936	4,369
Property costs	20,521	27,326
Telephone	4,210	3,572
Other	36,138	26,992
Bank charges	4,304	2,536
Governance costs	12,607	26,747
	290,831	360,050
Analysed between:		
Charitable Activities	290,831	360,050

11 Net movement in funds

	2025	2024
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable for the audit of the charity's financial statements	5,808	4,116
Depreciation of owned tangible fixed assets	19,081	13,916
Impairment of owned tangible fixed assets	-	45,279
Loss/(profit) on disposal of tangible fixed assets	-	(450)
Operating lease charges	66,109	31,860

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. During the year no expenses are reimbursed to any trustees (2024: £486).

13 Employees

The average monthly number of employees during the year was:

	2025	2024
	Number	Number
Clinical	28	26
Administrative	7	4
Income generation and marketing	6	6
Retail	12	10
Domestic	-	1
Total	53	47

Employment costs	2025	2024
	£	£
Wages and salaries	792,649	651,120
Social security costs	50,844	38,105
Other pension costs	41,883	34,727
	885,376	723,952

The above staff costs include non-payroll workers.

There were no employees whose annual remuneration was more than £60,000.

13 Employees **(Continued)**

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2025	2024
	£	£
Aggregate compensation	170,622	118,577

At the start of the year, the services of CEO and Finance Manager were provided under Service Level Agreements with third party organisations and invoiced to the charity. Since they were not employees of the charity, the amounts payable for these services are not included in the remuneration figure above.

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2025	2024
	£	£
In respect of:		
Property, plant and equipment	-	45,279

16 Tangible fixed assets

	Freehold property	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2024	115,500	28,031	40,459	10,669	-	194,659
Additions	-	19,422	3,930	7,065	26,000	56,417
At 31 March 2025	115,500	47,453	44,389	17,734	26,000	251,076
Depreciation and impairment						
At 1 April 2024	735	16,049	31,242	6,226	-	54,252
Depreciation charged in the year	2,310	3,428	2,732	5,739	4,872	19,081
At 31 March 2025	3,045	19,477	33,974	11,965	4,872	73,333
Carrying amount						
At 31 March 2025	112,455	27,976	10,415	5,769	21,128	177,743
At 31 March 2024	114,765	11,982	9,217	4,443	-	140,407

17 Debtors

	2025	2024
Amounts falling due within one year:	£	£
Trade debtors	3,969	444
Other debtors	8,718	14,759
Prepayments and accrued income	158,313	286,784
	171,000	301,987

Prepayments and accrued income above includes £128,785 (2024: £245,581) relating to legacy income not received by the year end but has been recognised in the financial statements because entitlement was established and the amount could be reliably estimated at that time.

18 Creditors: amounts falling due within one year

	Notes	2025	2024
		£	£
Other taxation and social security		19,342	21,659
Deferred income	**19**	6,431	13,557
Trade creditors		9,255	33,367
Other creditors		6,128	3,926
Accruals		21,567	17,465
		62,723	89,974

19 Deferred income

	2025	2024
	£	£
Other deferred income	6,431	13,557

Deferred income is included in the financial statements as follows:

	2025	2024
	£	£
Deferred income is included within:		
Current liabilities	6,431	13,557
Movements in the year:		
Deferred income at 1 April 2024	13,557	14,010
Released from previous periods	(13,557)	(14,010)
Resources deferred in the year	6,431	13,557
Deferred income at 31 March 2025	6,431	13,557

Deferred income relates to income received in advance for fundraising events taking place in the next financial year.

20 Retirement benefit schemes

	2025	2024
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	41,883	34,727

20 Retirement benefit schemes **(Continued)**

The charity operates two pension schemes.

Staff who are current or recent members of the NHS Pension Scheme (a multi-employer scheme), but are not yet drawing down its benefits, continue membership in their employment, and the charity pays the employer's contribution of 14.3%. This is a defined benefit scheme, but in these accounts it is treated as a defined contributions scheme as the charity is not liable for any underfunding.

There is a "Direction" from the Department of Health which enables operation of the NHS Pension Scheme for staff who are contributing members in another employment or have been up to 12 months before joining the charity. Under this there is an obligation to ask new staff whether they qualify, and offer them continues membership if they do. They can decline in writing, and bank staff often do. New enrolments cannot be made into the scheme. For qualifying staff who decline to contribute in this employment, auto-enrolment rules for the People's Pension are followed.

The NHS Pension employer contribution rose from 14.3% to 20.6% in April 2019 and again from 20.6% to 23.7% in April 2024, but the government agreed to fund both increases centrally. There is also an admin fee of 0.08% payable by the employer. A scheme valuation is carried out every four years, with the next one due to conclude in Autumn 2027 and will determine the employer contribution rate for the four years from April 2028.

All other staff are auto-enrolled in or offered membership of the defined contribution People's Pension, and the charity makes a contribution of 5%.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds					Movement in funds				
	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Balance at 1 April 2024	Incoming resources	Resources expended	Transfers	Gains and losses	Balance at 31 March 2025
	£	£	£	£	£	£	£	£	£	£
The Sylvia and Colin Shepherd Charitable Trust	-	-	-	-	-	1,000	(1,000)	-	-	-
The Percy Bilton Charity	-	-	-	-	-	500	(500)	-	-	-
Alnwick Town Council	-	-	-	-	-	3,000	(3,000)	-	-	-
The Hedley Foundation	-	-	-	-	-	1,000	(1,000)	-	-	-
The Liddell-Simpson Charitable Trust - London	-	-	-	-	-	100	(100)	-	-	-
Admiral Nurse - Henfry Trust	8,641	-	-	-	8,641	-	-	-	-	8,641
Grand Lodge of MARMB15-2024	-	-	-	-	-	27,300	(1,300)	(26,000)	-	-
H@H	-	-	-	-	-	30,000	(30,000)	-	-	-
The William Leech Charity	-	-	-	-	-	3,000	(3,000)	-	-	-
Ballinger Grant	-	-	-	-	-	20,000	(5,000)	-	-	15,000
Hospice UK	5,000	-	(3,000)	(2,000)	-	18,754	-	(18,754)	-	-
Northumberland Estates Charitable Fund	-	5,000	(2,000)	-	3,000	-	(3,000)	-	-	-
Winham - Dementia	4,151	-	-	(3,832)	318	-	(318)	-	-	-
Persula Foundation	-	2,000	(2,000)	-	-	-	-	-	-	-
Hadrian Trust	-	2,000	(2,000)	-	-	-	-	-	-	-
Grace Trust	-	2,000	(2,000)	-	-	-	-	-	-	-

21 Restricted funds **(Continued)**

William Webster	-	5,000	(5,000)	-	-	-	-	-	-	-
JGW Patterson	-	15,000	(15,000)	-	-	-	-	-	-	-
Alnwick Town Council	-	3,000	(3,000)	-	-	-	-	-	-	-
Restricted Fixed Assets Fund	-	-	-	-	-	-	(6,292)	44,754	-	38,463
	17,792	34,000	(34,000)	(5,832)	11,960	104,654	(54,510)	-	-	62,104

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2024	Incoming resources	Resources expended	Transfers	At 31 March 2025
	£	£	£	£	£
General funds	889,651	1,080,946	(1,193,410)	-	777,187

Previous year:	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	1,021,650	1,048,632	(1,186,463)	5,832	889,651

23 Analysis of net assets between funds

	Unrestricted funds 2025	Restricted funds 2025	Total 2025
	£	£	£
At 31 March 2025:			
Tangible assets	177,743	-	177,743
Current assets/(liabilities)	599,444	62,104	661,548
	777,187	62,104	839,291

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 March 2024:			
Tangible assets	140,407	-	140,407
Current assets/(liabilities)	749,244	11,960	761,204
	889,651	11,960	901,611

24 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2025	2024
	£	£
Within one year	29,731	39,583
Between two and five years	63,758	5,250
	93,489	44,833

The above commitments due within 1 year includes £8,760 relating to property leases which are the minimum amounts due taking into account break clauses and notice periods in the lease terms.

25 Related party transactions

During the year the charity received £570 (2024: £1,431) in donations and fundraising income from trustees and their close family relations.

During the year the charity received £284 (2024: £1,250) in donations and fundraising income key management personnel and their close family relations.

During the year the charity incurred expenditure of £15,628 (2024: £73,504) to entities that provide key management personnel services to the charity. At the year end, trade creditors does not include any balance payable (2024: £12,795) relating to entities that provide key management personnel services to the charity.

26 Cash generated from/(absorbed by) operations	2025	2024
	£	£
Deficit for the year	(62,320)	(137,831)
Adjustments for:		
Investment income recognised in statement of financial activities	(24,025)	(16,566)
Gain on disposal of tangible fixed assets	-	(450)
Depreciation and impairment of tangible fixed assets	19,081	59,195
Movements in working capital:		
Decrease in debtors	130,987	53,559
(Decrease) in creditors	(20,125)	(2,745)
(Decrease) in deferred income	(7,126)	(453)
Cash generated from/(absorbed by) operations	36,472	(45,291)

THE NORTH NORTHUMBERLAND HOSPICE

England & Wales - Charity number 1103635

Accounts

Charity registration number 1103635

Company registration number 04925273 (England and Wales)

THE NORTH NORTHUMBERLAND HOSPICE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

THE NORTH NORTHUMBERLAND HOSPICE

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	The Lady Joicey	
Trustees	Mrs E C Beauchamp	
	Mrs L H M Carroll	
	Mrs S E Sherrard	
	Mr J Cooke MBE	
	Mrs J A Raine	(Appointed 15 May 2023)
	Sir A W Craft	(Appointed 17 July 2023)
	Mr D R Thorne	(Appointed 15 July 2024)
Key management personnel	C Orife, CEO	
	T Waller, Head of Finance and Operations	
	A Corak, Head of Care	
	L Bell, Head of Income Generation	
Charity number	1103635	
Company number	04925273	
Registered office	Unit 3 Willowburn Avenue	
	Alnwick	
	Northumberland	
	NE66 2DG	
Auditor	Saint & Co.	
	Sterling House	
	Wavell Drive	
	Rosehill	
	Carlisle	
	CA1 2SA	
Bankers	HSBC	
	110 Grey Street	
	Newcastle Upon Tyne	
	NE1 6JG	

THE NORTH NORTHUMBERLAND HOSPICE

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THE NORTH NORTHUMBERLAND HOSPICE

CHAIRPERSON'S REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Over the past year, HospiceCare North Northumberland has significantly strengthened the governance and operational capabilities. Launching our official Strategy for 2024–2027 marks an exciting milestone in our journey. This strategy sets clear goals for expanding our services, ensuring the highest standards of care, and fostering sustainable financial growth. With this roadmap in place, we are well-positioned to continue delivering exceptional support to our community.

The October 2023 CQC inspection of our Hospice at Home Caring services was a significant achievement, a testament to our staff and Trustees' unwavering dedication and hard work. Their efforts were instrumental in us receiving an overall GOOD rating, with three OUTSTANDING acknowledgments for our home visits, highly personalised care, and comprehensive employee staff records. This is a source of pride for all of us and should reassure our stakeholders of our commitment to excellence.

HospiceCare's services remain free at the point of need, ensuring that no one is charged for palliative care and support. Our core values—Caring, Collaborative, Communicative, Innovative, and a Can-Do attitude—form the foundation of everything we do. The Trustees regularly reflect on our mission, providing effective governance and oversight to ensure we offer the best support to those in need. This unwavering commitment reassures our stakeholders and keeps us moving in the right direction.

Our collaboration with Tynedale Hospice at Home has made significant strides, underscored by establishing an official Agreement and Terms of Reference for the Joint Steering Committee. We have a shared vision for enhancing palliative care across Northumberland. Innovation is at the heart of this collaboration, as we drive this vision forward. We will employ Specialist Dementia Nurses throughout the region and are actively exploring other initiatives to increase access to our Palliative and End of Life wrap around services

The demand for Nurse led Hospice service has continued to grow, reflecting our commitment and the trust placed in us. In response, we have strengthened our nursing workforce, enabling us to support 124 patients this year. Our Dementia Support Services reached 42 people through football and café sessions, while our Family Support Service assisted 117 individuals.

However, the increasing complex demand brings significant financial challenges. Rising costs and economic pressures have made fundraising more complex, yet we must raise over £1.4 million annually, with only 5% of our funding coming from the NHS. We urge our potential donors to consider this and support us in continuing our vital mission to support patients in North Northumberland.

To address these challenges, our Trustees and Senior Team are actively exploring new collaborative efforts, diversifying our fundraising strategies, and expanding our retail operations. Innovation remains at the forefront of our approach, in our collaboration with Tynedale Hospice at Home continuing to drive our shared vision for enhanced and excellent palliative care in Northumberland.

In addition to our focus on service delivery, we remain committed to enhancing the diversity and effectiveness of our Board. Following the External Governance Review completed in July 2023, we actively implement key recommendations to ensure we meet the highest standards. We have a clear plan to complete these actions and will continuously review our progress. As part of this commitment, we conducted a trustee skills audit, guiding the recruitment of new trustees and further strengthening our governance.

We are deeply grateful to our Senior Management Team, staff, volunteers, and everyone who supports us, including our donors, Trusts, Ambassadors, and charity shop customers. Your generosity enables us to continue providing vital end-of-life care. We thank our stakeholders for sharing our commitment to high-quality palliative care. Together, we will continue to make a meaningful difference in our communities.

As I step down as Trustee and Chairman, I want to express my deepest gratitude to the Board, the Senior Team, and all staff members for their exceptional leadership and unwavering commitment over the past few years. Together, we navigated the challenges of COVID-19, its aftermath, and significant organizational change, emerging more robust and more energised than ever. HospiceCare now boasts a dedicated and talented team, excellent services, and a solid foundation that positions us well to execute our ambitious strategic direction for the future.

I am also delighted to welcome Elaine Beauchamp as my successor as Chairman. With her strong track record in finance and management, I am confident that Elaine, alongside the Board and Senior Management, will guide HospiceCare successfully into the future.

Thank you for sharing our passion, commitment, and drive for high-quality end-of-life care.

.....
Lucy Carroll
Chairperson

Date: 18/11/2024

THE NORTH NORTHUMBERLAND HOSPICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also directors for the purposes of company law, present their annual report and financial statements for the year ended 31 March 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

Objects and aims

Founded in 1995, the Hospice provides palliative care to people who have life limiting illnesses. We address their physical, emotional, social and psychological needs, enhancing their quality of life while at the same time supporting their carers and families.

The Hospice objects are:

• The care and relief of persons suffering from a potentially life-limiting illness, the support of carers and the bereaved, all in such ways as the Trustees shall from time to time think fit, and primarily in North Northumberland.

• The provision in the interest of social welfare of recreational facilities for such persons.

Following an extensive external Governance review the objects will be reviewed in 2024 to ensure that we continue to meet current and are well placed to meet future needs of the population.

The Hospice operates from two sites, Alnwick and Berwick-upon-Tweed, to accommodate the largely rural and sparsely populated area of North Northumberland. Patient choice and their individual needs determine where HospiceCare services are delivered, whether at home or in the Hospice building. The Hospice adopts a holistic approach to patients and families, offering services and interventions of care and support which are flexible and tailored to meet patient individual needs.

We are caring, we pursue excellence, we innovate, we collaborate, we communicate, and we adopt a can-do attitude. We are HospiceCare North Northumberland.

The Trustees regularly review our objectives, aims and activities, reviewing at the number of people in need we reach, the type and extent of services we provide, and the benefits we bring to our patients and their families. Palliative care is a continually developing field, and we respond by expanding our services to achieve the best possible individualized outcome for each patient. We have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional third-party fundraiser or commercial participator to raise funds. Any monies raised direct from the public follow all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The Trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Review of Activities and the Public Benefit

At the end of the financial reporting period, we provided the following operational services for the public benefit.

Nursing - Hospice at Home Service

Our nursing team works with the Primary Care Network team of GPs, Community Nurses, Macmillan Nurses, and allied health professionals across North Northumberland to provide nursing care to beneficiaries on the Palliative Care register and who are nearing end of life. Our Hospice Registered Nurses:

· Administer direct nursing care and medication in response to symptom management
· Offer advice and support to those suffering life-limiting illnesses and their carers
· Assist with Advance Care planning if desired

We have continued to recruit to our team of Registered Nurses to enable the shift from a predominantly personal care delivery model to a Nursing care delivery model in line with CQC-regulated activities. We continue to increase the provision of care delivered to residents in Berwick and areas north of North Northumberland.

We deliver nursing care in the patient's home to adults aged 18 years and over who are at End of Life. We employ a team of Registered Nurses and Hospice Support Workers to support patients 356 days a year 24 hours a day

The CEO and Head of Care from Tynedale Hospice at Home provided management support from May 2022 until February 2024. During this 2-year period year Senior Managers and Trustees have continued to implement the recommendations from the external clinical review. Progress has been good over the last year and Our CQC inspection in October 2023 rated our services "GOOD" in all areas.

Dementia Café Alnwick & Berwick Wellbeing Centres.

Our service supports people living with dementia and their carer(s). It allows social engagement, advice and support from our Dementia Support worker. Services include Dementia Cafés, Walking Football, and client visits. The cafes are run regularly at our Wellbeing Centers in Alnwick and Berwick. We delivered Dementia services (Football and Dementia cafés) to 112 attendees. Whilst café attendances in our Alnwick café remained consistent during the financial year, attendances at our Berwick café were markedly reduced. The Café was suspended after December 2023 to allow us to understand the reason for reduced attendances for a period of 2 months. Following this review, we identified that we had to effect improvements in our networking and promotional activities in Berwick, there were a limited number of Volunteers available to support the Berwick café and feedback from clients suggested that the lack of car parking in our Berwick venue was barrier to attendance. We have introduced improvements to our Dementia café support in Berwick, with additional volunteers, and undertaken an extensive marketing campaign. Our newly appointed Dementia Specialist Nurse (August 2024) is effectively networking with other providers in the area, and we are commencing weekly Cafés from October 2024.

Family/Bereavement Support Service

We provide an active listening and support service for those who have experienced bereavement or pre-bereavement. We offer support for those caring for loved ones with a life-limiting illness, and our trained volunteers understand the feelings of grief and loss associated with bereavement. Bereavement support services are offered in either of our Wellbeing Centers in Alnwick or Berwick, face to face or by telephone.

Activity April 2023 - March 2024

During 23/24 we developed a range of Key Performance Indicators to highlight the demand and delivery of services to patients and clients in our communities. As a result of this development our data capture in 23/24 has focused on the number and complexities of patients and client needs, we have supported, therefore direct comparisons between activity in 22/23 and 23/24 is not appropriate. We will continue to refine data capture via KPI and our Balanced Scorecard approach throughout 24/25. We share activity performance data with our Northeast and North Cumbria Hospice Collaborative colleagues and with Hospice UK. Activity data is also shred for the purposes of applying for Trusts and Grants.

Referrals Hospice at Home	Patients supported	Hours of care given Registered Nurse	Hours of Care given Hospice Support Worker
140	124	2914	9719

Referrals Dementia Services	Walking Football attendances	Café attendance-Berwick	Café attendance - Alnwick
42	202	7	130

Referrals Bereavement services	Clients supported	Café attendances-Berwick	Café attendances- Alnwick
117	162	124	190

Fundraising

We need to raise over £1.4 million annually to continue to provide our current level of care in the community, and the NHS fund only 4% of this income. The remainder we raise from donations, fundraising, legacies, trusts, and from our charity shops.

Donations

We were delighted to be chosen again by NFU Mutual to be nominated to receive a large sum from their Community Foundation. The Red Lion in Alnmouth also chose us again for their annual Beer Festival. We took part in the Big Christmas Campaign for a 3rd year – exceeding our target £45,000 with the largest donation being £6,140. 17% were new pledgers and 18.5% were new donors to Hospice Care. Our engagement with the communities through formal Talks and fundraising events has returned to normal after the COVID-19 restrictions. We were able to share our film, which chronicled the care given to Michaels's family, with supporters and potential donors; this was shared widely through social media and our website.

In the reporting period, we became corporate members of Alnwick Rotary and are looking forward to working with Rotary as we develop our growing number of Volunteers.

Events and Community Fundraising

The Joy of Christmas fair was a welcome success, selling out all exhibitor's spaces during the two-day event. We hosted 6 Open Gardens during the reporting period, raising £31,592 (gross) and having over 3,000 garden visitors. Our Bi-Annual Dinner Auction, attended by over 100 guests in Doxford Hall, raised £48,000 (gross).

Analytics
We can report an increased number of contacts with the Hospice of 1,300 Individual contacts who had donated or attended one or more of our events and 2,483 people have signed up to receive our e-Newsletter.

Donors

Year	22/23	23/24	Increase/ decrease %
Number of Donors	564	575	2%
Number of repeat donors	410	374	-10%
Percentage repeat donors	73%	65%	-8%

Value per donor

Year	22/23	23/24	Increase /decrease %
Total amount including GA	£177,534	£186, 597	5%
Number of donors	564	575	2%
Value per donor	£315	£325	3%

Ambassadors Pledge (£1,000 per year)

Year	22/23	23/24	Increase/ decrease %
Total amount including GA	£35,950	£31,320	-13%
Number of Ambassador Donors	29	25	-14%

Year	**22/23**	**23/24**	**Increase/ decrease %**
Total amount including GA	£27,751	£28,112	1%
Number of Regular Donors	126	116	-8%
Value per donor	£220	£242	10%

The number of regular donors has reduced since 21/22 and represents a 16% loss. Donor journey management is a significant priority area for 24/25.

Volunteers
We continue to grow our volunteer cohort and are reviewing the Volunteer journey to ensure that Volunteers have a rewarding experience working with us. This work will continue into 24/25 as we continue to grow our volunteer workforce from 175 currently.

Retail

Income from our three shops in Berwick, Amble and Wooler in 23/24 was £287,000, representing an additional £17,000 from 22/23 income. Our on-line sales have not reached anticipated targets, but work has commenced to increase the number of platforms where we operate. We anticipate in 24/25 to open new retail premises in high-footfall areas within North Northumberland.

Our People

Our Staff

The trustees recognise the commitment and hard work that the entire staff and volunteer team have shown during the year. The strong leadership from the Senior Management Team has provided a period of stability and a solid platform for the Hospice to progress. Our Income Generation Team worked tirelessly to encourage our community to support the hospice throughout the year; our People and Finance teams ensured all the systems within the hospice operated as effectively and efficiently as possible. Our unreserved thanks go to all the team.

Our volunteers

We are fortunate to have approximately 175 enthusiastic and committed Volunteers who contribute many hours of time. They support the organization with Bereavement support, wellbeing cages, fundraising events, retail shops, administrative work, helping at events, drivers, and the Castleside Crafters. All these Volunteers are the lifeblood of HospiceCare.

Our annual Volunteer Awards ceremony, held in March 2023, was developed to show appreciation and recognition for staff and volunteers who have provided long service to HCNN. Awards are given in increments of 5 years; however, volunteers receive an award after one year. Jill Clark, who is a long-standing Trust Application Volunteer, received the Trustee Volunteer of The Year Award.

Our donors

Our community continued to support the hospice with generous donations of clothing and other pre-loved items for our shops and with financial contributions towards our running costs.

Key Management Personnel

The Board, who give their time freely (no trustees received remuneration in the year) have appointed Key Management Personnel (KMP). Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day-to-day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pays levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Financial review

This was a further year of transformation of our services and included a further recovery in income following the COVID-19 period, and despite the "cost of living" pressures faced by many across the UK, which inevitably affected the Hospices ability to generate income.

Our total income in 2024 rose to £1,082,632 from £808,036 in the previous year. Spending also rose to £1,220,463 and we had a deficit of £137,831 on activities in the year.

Fundraising income generated by our events rose to £65,000 reflecting our successful Diner Auction and general increases in support from community fundraising events.

Our retail income increased by £16,734 to £286,630 which reflects continued community support and the quality of our retail offer despite the challenging economic situation.

Income from our contracted service provision increased to £56,172 and income from investments benefitted from the increased interest rate environment evident over the last 18 months.

Income from legacies also increased to £249,154, from £103,351 which has provided useful additional funding in the provision of our services.

Our expenditure on Clinical services increased from £613,894 to £812,245 in 2024 and includes all the costs associated with delivering our charitable services.

The charity's total funds decreased from £1,039,442 to £901,611 on 31 March 2024, of which £889,651 was unrestricted.

During the year we have made significant changes to our staffing structure, bringing in a Head of Income Generation and an Operations Manager to streamline and improve our operational activities. There has been investment in technology and new processes within our retail and fundraising operations, including collecting gift aid on the sale of donated goods and moving fundraising activity to new online platforms. The staff team are working hard to increase income for future years from fundraising and retail activities. Additional retail outlets are planned for 24/25 in high footfall areas. We will continue to expand our clinical service offering to patients in need in the community, with a planned deficit until new retail outlets deliver income and Fast Track income from referral increases as we register as Tier 2 Care providers under the Proactis Local Authority Fast Track provider portal.

We revalued our property in Berwick in year and the balance sheet reflects the unexpected reduction in market value.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves – those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of six to nine months of operating expenditure (up to a maximum of 12 months), which would equate to holding approximately £600,000 to £900,000 in free reserves.

At the year end, free reserves were £749,244 (2023: £830,764), a decrease of £81,520 in the year.

Plans for 2024-2027

During the past accounting year, the Trustees and Senior Management Team meticulously laid the groundwork for a Strategic Direction for 2024 – 2027. After extensive consultations, discussions, and an Away Day in October, the Trustees finalised a detailed plan in January 2024.

Our strategic goals will focus on expanding our services to support more people, maintaining exceptional quality in all our activities, and ensuring sustainable growth to firmly bolster our financial stability.

We have a three-year plan divided into five areas: enablers, finance, care, fundraising, and retail. Enablers include equality and diversity, environmental sustainability, digitalization, and prioritizing our people.

Finance will concentrate on continuous improvement and ensuring our processes suit our needs.
Our Care will involve expanding services while upholding the high standards demonstrated during the positive CQC inspection.
Fundraising will aim for further growth, and Retail will ensure sustainable expansion to establish strong income streams.

To achieve the Strategic Goals, we will focus on some fundamental changes.

A full-time CEO.
The trustees decided to employ a full-time CEO. This post began in June 2024 and provides excellent leadership and progress.

Governance
The planned work continues to implement the External Board Effectiveness Review recommendations. Areas include a review of the Articles of Association and Trustee committee structures.

Collaboration
Following the formal Agreement signed in May 2023 between our Hospice and Tynedale Hospice at Home, work continues to ensure increased care delivery and efficiency through collaboration. A joint Dementia project began in June 2024 to employ Specialist Dementia Nurses across both geographic areas.

Investment in People:
Staff continue to access the benefits of Westfield wellbeing services via their employment contracts and plans are underway to develop our Staff Wellbeing offering in 24/25 which will include monthly “personal time” allocation for staff to undertake one hour of activity to support their personal wellbeing.

Structure, governance and management

Nature of governing document

The North Northumberland Hospice, operating as HospiceCare North Northumberland, (The Hospice) is the local charity supporting people living with life limiting illnesses.

The Hospice is a charitable company limited by guarantee, company number 04925753, and is a registered charity, number1103635 (England and Wales) incorporated on 8 October 2003. Following a rebranding in March 2008, the Hospice is known for trading purposes only as HospiceCare North Northumberland, but this does not affect either its charity or company registrations. The charitable company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up, members (the only class of which at present are current trustees and the company secretary) are required to contribute an amount not exceeding £10. The directors of the company are also charity trustees for the purpose of charity law.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mrs E C Beauchamp	
Mrs L H M Carroll	
Mr P W Atkinson CBE	(Resigned 31 August 2023)
Mrs S E Sherrard	
Mrs D Trafford	(Resigned 15 January 2024)
Mr J Cooke MBE	
Mrs L Clark	(Appointed 15 May 2023 and resigned 22 March 2024)
Mrs J A Raine	(Appointed 15 May 2023)
Dr M J Torkington	(Appointed 17 July 2023 and resigned 8 January 2024)
Sir A W Craft	(Appointed 17 July 2023)
Mr D R Thorne	(Appointed 15 July 2024)

Induction and training of trustees

New trustees are invited to meet with the Chair and then a wider group of trustees prior to appointment, in order to gain an overall understanding of the day-to-day work of the Hospice. All trustees are provided with a comprehensive induction. An information folder has been produced and issued to all existing and new trustees, giving them information on their governance responsibilities as a Hospice trustee, background information on the Memorandum and Articles of Association, Financial Accounts, Business Plan and Contingency Plan. Governance training is provided by a leading charity law firm with comprehensive training on the legal duties and responsibilities of trustees.

Organisational structure

The Hospice has a Board of trustees which comprises nine members, (2 Trustees resigned mid-year) with twelve being the maximum permitted under the Articles of Association. The trustees come from a variety of backgrounds, bringing an appropriate mix of clinical, professional and managerial skills and experience that enables them to contribute to the effective working of the Hospice. There are bi-monthly Board meetings to review the governance of the operations and strategy, which are also attended by the Chief Executive and other members of the Executive Team as appropriate. Committees reporting to the Board have been established to deal with designated areas of trustee responsibility as follows:

• **Clinical Governance Group** – Chair: Sue Sherrard - Bi-monthly, between Board meetings, to review clinical governance, risks, clinical strategy and provide support for the senior team.

• **Finance and Income Generation Committee** – Chair: Elaine Beauchamp - Bi-monthly, between Board meetings to review the financial performance of the organisation against financial budgets and forecasts, cash and reserves positions, fundraising strategy, risks, and all aspects of the related administrative support functions.

• **People and Support Services Committee** – Chair: Debbie Trafford - Bi-monthly, between Board meetings, to review human resources, risks, data, health and safety governance, people and marketing and communications strategy and provide support for the senior team. (The People and Support Services Committee has ceased to exist from July 2024 and has been replaced by the Integrated Governance Committee (IGC) following an external legal Governance review)

The Executive Team and Board of trustees work to appropriate Charity Commission and Companies House Codes of Conduct. Copies of Standing Order Financial Instructions have been issued to all members of the Board and a Policy folder is available to all relevant persons.

All trustees, staff, and volunteers are subject to Disclosure and Barring Service checks where appropriate, before taking up a post with the Hospice.

The Hospice is registered with the Care Quality Commission, Information Commissioner's Office, Fundraising Regulators and Gambling Licensing Authority.

The Hospice operates a policy of Fair Treatment for all.

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Saint and Co as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

.....	.....
Mrs E C Beauchamp	Mrs L H M Carroll
Trustee	**Trustee**

Date: 18/11/2024

THE NORTH NORTHUMBERLAND HOSPICE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 MARCH 2024

The trustees, who are also the directors of The North Northumberland Hospice for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent;

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE NORTH NORTHUMBERLAND HOSPICE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE NORTH NORTHUMBERLAND HOSPICE

Opinion

We have audited the financial statements of The North Northumberland Hospice (the 'charity') for the year ended 31 March 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

The extent to which the audit was considered capable of detecting irregularities including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
    - performed analytical procedures to identify any unusual or unexpected relationships;
    - tested journal entries to identify unusual transactions;
    - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
    - investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity’s trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity’s trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saint & Co.

18/11/2024
.....

Chartered Accountants
Statutory Auditor

Sterling House
Wavell Drive
Rosehill
Carlisle
CA1 2SA

Saint & Co. is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NORTH NORTHUMBERLAND HOSPICE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Income and endowments from:							
Donations and legacies	**3**	554,096	34,000	588,096	374,821	47,161	421,982
Charitable activities	**4**	58,629	-	58,629	43,070	-	43,070
Other trading activities	**5**	418,891	-	418,891	338,212	1,210	339,422
Investments	**6**	16,566	-	16,566	3,562	-	3,562
Other income	**7**	450	-	450	-	-	-
Total income		1,048,632	34,000	1,082,632	759,665	48,371	808,036
Expenditure on:							
Raising funds	**8**	406,219	2,000	408,219	282,467	2,378	284,845
Charitable activities	**9**	780,244	32,000	812,244	551,945	61,949	613,894
Total expenditure		1,186,463	34,000	1,220,463	834,412	64,327	898,739
Net expenditure		(137,831)	-	(137,831)	(74,747)	(15,956)	(90,703)
Transfers between funds		5,832	(5,832)	-	85,897	(85,897)	-
Net movement in funds	**11**	(131,999)	(5,832)	(137,831)	11,150	(101,853)	(90,703)
Reconciliation of funds:							
Fund balances at 1 April 2023		1,021,650	17,792	1,039,442	1,010,500	119,645	1,130,145
Fund balances at 31 March 2024		889,651	11,960	901,611	1,021,650	17,792	1,039,442

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The notes on pages 19 to 34 form part of these financial statements.

THE NORTH NORTHUMBERLAND HOSPICE

BALANCE SHEET

AS AT 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**16**		140,407		190,886
Current assets					
Debtors	**17**	301,987		355,546	
Cash at bank and in hand		549,191		586,182	
		851,178		941,728	
Creditors: amounts falling due within one year	**18**	(89,974)		(93,172)	
Net current assets			761,204		848,556
Total assets less current liabilities			901,611		1,039,442
The funds of the charity					
Restricted income funds	**21**		11,960		17,792
Unrestricted funds	**22**		889,651		1,021,650
			901,611		1,039,442

The notes on pages 19 to 34 form part of these financial statements.

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2024, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the trustees on 18/11/2024

.....	.....
Mrs E C Beauchamp	Mrs L H M Carroll
Trustee	**Trustee**

Company registration number 04925273 (England and Wales)

THE NORTH NORTHUMBERLAND HOSPICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Cash flows from operating activities					
Cash absorbed by operations	**26**		(45,291)		(95,261)
Investing activities					
Purchase of tangible fixed assets		(8,716)		(5,100)	
Proceeds from disposal of tangible fixed assets		450		-	
Investment income received		16,566		3,562	
Net cash generated from/(used in) investing activities			8,300		(1,538)
Net cash used in financing activities			-		-
Net decrease in cash and cash equivalents			(36,991)		(96,799)
Cash and cash equivalents at beginning of year			586,182		682,981
Cash and cash equivalents at end of year			549,191		586,182

The notes on pages 19 to 34 form part of these financial statements.

1 Accounting policies

Charity information

The North Northumberland Hospice is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 3 Willowburn Avenue, Alnwick, Northumberland, NE66 2DG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Companies Act 2006, FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from grants receivable is recognised when the charity is entitled to the funds and any conditions linked to the grants have been met. Where performance related conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% straight line
Leasehold improvements	Straight line over 10 year lease term
Fixtures and fittings	10% - 20% straight line
Computers	50% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. All eligible employees are automatically enrolled into a workplace pension scheme. Some clinical staff are members of the NHS pension scheme.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Income from donations and legacies

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Donations and gifts	304,942	34,000	338,942	276,803	47,161	323,964
Legacies	249,154	-	249,154	103,351	-	103,351
Grants	-	-	-	(5,333)	-	(5,333)
	554,096	34,000	588,096	374,821	47,161	421,982
Donations and gifts						
Community fundraising	-	20,000	20,000	33,765	5,808	39,573
Sponsored events and donations	-	10,000	10,000	206,738	5,453	212,191
Donations from trusts	-	4,000	4,000	36,300	35,900	72,200
Other	304,942	-	304,942	-	-	-
	304,942	34,000	338,942	276,803	47,161	323,964

4 Income from charitable activities

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Services income		
Services provided under contract	56,172	43,070
Other income	2,457	-
	58,629	43,070

5 Income from other trading activities

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £
Fundraising events	130,096	-	130,096	65,600	1,210	66,810
Shop income	286,630	-	286,630	269,896	-	269,896
Sponsorships and social lotteries	2,165	-	2,165	2,716	-	2,716
Other trading activities	418,891	-	418,891	338,212	1,210	339,422

6 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	16,566	3,562

7 Other income

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Net gain on disposal of tangible fixed assets	450	-

8 Expenditure on raising funds

	Unrestricted funds 2024	Restricted funds 2024	Total 2024	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£	£	£	£
Fundraising and publicity						
Membership schemes and social lotteries	972	-	972	1,244	-	1,244
Staging fundraising events	28,013	-	28,013	16,620	-	16,620
Advertising	14,519	-	14,519	642	-	642
Other fundraising costs	24,316	2,000	26,316	21,503	2,378	23,881
Staff costs	131,601	-	131,601	87,680	-	87,680
	199,421	2,000	201,421	127,689	2,378	130,067
Trading costs						
Operating charity shops	76,145	-	76,145	65,098	-	65,098
Staff costs	116,737	-	116,737	88,719	-	88,719
Depreciation and impairment	13,916	-	13,916	961	-	961
	206,798	-	206,798	154,778	-	154,778
Total costs	406,219	2,000	408,219	282,467	2,378	284,845

9 Expenditure on charitable activities

	Direct Cost 2024 £	Direct Cost 2023 £
Direct costs		
Staff costs	331,459	271,398
Depreciation and impairment	45,279	300
Travel expenses	35,931	19,759
Other hospice expenses	39,525	17,684
	452,194	309,141
Share of support and governance costs (see note 10)		
Support	333,301	290,221
Governance	26,749	14,532
	812,244	613,894
Analysis by fund		
Unrestricted funds	780,244	551,945
Restricted funds	32,000	61,949
	812,244	613,894

10 Support costs allocated to activities

	2024 £	2023 £
Staff costs	144,155	160,438
Depreciation	-	14,592
Consultancy fees	73,479	25,860
Travel expenses	-	859
Marketing	2,420	1,500
Admin costs	48,454	34,466
Office equipment	4,369	4,757
Property costs	27,326	32,943
Telephone	3,572	1,778
Other	26,992	10,134
Bank charges	2,536	2,894
Governance costs	26,747	14,532
	360,050	304,753
Analysed between:		
Charitable Activities	360,050	304,753

11 Net movement in funds

	2024	2023
	£	£
The net movement in funds is stated after charging/(crediting):		
Fees payable to the charity's auditor:		
- for the audit of the charity's financial statements	4,116	3,875
- for other financial services	-	1,990
Depreciation of owned tangible fixed assets	13,916	15,853
Impairment of owned tangible fixed assets	45,279	-
Profit on disposal of tangible fixed assets	(450)	-
Operating lease charges	58,468	31,860

12 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Two trustees received reimbursement of expenses from the charity totalling £486 (2023: £530) relating to travel and subsistence.

13 Employees

The average monthly number of employees during the year was:

	2024	2023
	Number	Number
Clinical	26	24
Administrative	4	6
Income generation and marketing	6	4
Retail	10	8
Domestic	1	2
Total	47	44

Employment costs	2024	2023
	£	£
Wages and salaries	651,120	553,037
Social security costs	38,105	26,453
Other pension costs	34,727	28,745
	723,952	608,235

The above staff costs include non-payroll workers.

There were no employees whose annual remuneration was more than £60,000.

13 Employees **(Continued)**

Remuneration of key management personnel

The remuneration of key management personnel was as follows:

	2024	2023
	£	£
Aggregate compensation	118,577	55,756

During the year, the services of the CEO, Head of Care and Finance Manager were provided under Service Level Agreements with third party organisations and invoiced to the charity. Since they were not employees of the charity, the amounts payable for these services are not included in the remuneration figure above.

14 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

15 Impairments

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	2024	2023
	£	£
In respect of:		
Property, plant and equipment	45,279	-

16 Tangible fixed assets

	Freehold property	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost or valuation						
At 1 April 2023	354,994	26,168	51,950	4,578	8,300	445,990
Additions	-	1,863	762	6,091	-	8,716
Disposals	-	-	(12,253)	-	(8,300)	(20,553)
At 31 March 2024	354,994	28,031	40,459	10,669	-	434,153
Depreciation and impairment						
At 1 April 2023	189,353	13,246	39,927	4,278	8,300	255,104
Depreciation charged in the year	5,597	2,803	3,568	1,948	-	13,916
Impairment losses	45,279	-	-	-	-	45,279
Eliminated in respect of disposals	-	-	(12,253)	-	(8,300)	(20,553)
At 31 March 2024	240,229	16,049	31,242	6,226	-	293,746
Carrying amount						
At 31 March 2024	114,765	11,982	9,217	4,443	-	140,407
At 31 March 2023	165,641	12,922	12,023	300	-	190,886

Land and buildings with a carrying amount of £160,045 were revalued on the basis of a valuation carried out on 6 December 2023 by George F White LLP Chartered Surveyors, Land & Estate Agents who are not connected with the charity. The valuation was made on the basis of market value by reference to market evidence of transaction prices for similar properties.

At 31 March 2024, had the revalued assets been carried at historic cost less accumulated depreciation, their carrying amount would have been as follows:

	2024
Historical cost	
At start of year	354,994
At end of year	354,994
Depreciation based on historic cost	
At start of year	189,352
Charge for year	7,100
At end of year	196,452

More information on the impairment arising in the year is given in note 15.

17 Debtors

	2024	2023
Amounts falling due within one year:	**£**	**£**
Trade debtors	444	22,064
Other debtors	14,759	33,588
Prepayments and accrued income	286,784	299,894
	301,987	355,546

Prepayments and accrued income above includes £224,581 (2023: £281,804) relating to legacy income not received by the year end but has been recognised in the financial statements because entitlement was established and the amount could be reliably estimated at that time.

18 Creditors: amounts falling due within one year

	Notes	2024	2023
		£	**£**
Other taxation and social security		21,659	24,213
Deferred income	**19**	13,557	14,010
Trade creditors		33,367	23,243
Other creditors		3,926	5,158
Accruals		17,465	26,548
		89,974	93,172

19 Deferred income

	2024	2023
	£	**£**
Other deferred income	13,557	14,010

Deferred income is included in the financial statements as follows:

	2024	2023
	£	**£**
Deferred income is included within:		
Current liabilities	13,557	14,010

Movements in the year:

19 Deferred income **(Continued)**

Deferred income at 1 April 2023	14,010	12,894
Released from previous periods	(14,010)	(12,894)
Resources deferred in the year	13,557	14,010
Deferred income at 31 March 2024	13,557	14,010

Deferred income relates to income received in advance for fundraising events taking place in the next financial year.

20 Retirement benefit schemes

Defined contribution schemes	**2024** **£**	**2023** **£**
Charge to profit or loss in respect of defined contribution schemes	34,727	28,745

The charity operates two pension schemes.

Staff who are current or recent members of the NHS Pension Scheme (a multi-employer scheme), but are not yet drawing down its benefits, continue membership in their employment, and the charity pays the employer's contribution of 14.3%. This is a defined benefit scheme, but these accounts it is treated as a defined contributions scheme as the charity is not liable for any underfunding.

There is a "Direction" from the Department of Health which enables operation of the NHS Pension Scheme for staff who are contributing members in another employment or have been up to 12 months before joining the charity. Under this there is an obligation to ask new staff whether they qualify, and offer them continues membership if they do. They can decline in writing, and bank staff often do. New enrolments cannot be made into the scheme. For qualifying staff who decline to contribute in this employment, auto-enrolment rules for the People's Pension are followed.

The NHS Pension employer contribution rose from 14.3% to 20.6% in April 2019 and again from 20.6% to 23.7% in April 2024, but the government agreed to fund both increases centrally. There is also an admin fee of 0.08% payable by the employer. A scheme valuation is carried out every four years, with the next one due to conclude in Autumn 2027 and will determine the employer contribution rate for the four years from April 2028.

All other staff are auto-enrolled in or offered membership of the defined contribution People's Pension, and the charity makes a contribution of 5%.

21 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds				Movement in funds				
	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Balance at 1 April 2023	Incoming resources	Resources expended	Transfers	Gains and losses	Balance at 31 March 2024
	£	£	£	£	£	£	£	£	£	£
Berwick Equipment Fund	198	-	-	(198)	-	-	-	-	-	-
Building Fund Donations	9,857	-	-	(9,857)	-	-	-	-	-	-
Dementia Walking Football	3,766	-	(3,766)	-	-	-	-	-	-	-
Department of Health	21,583	-	-	(21,583)	-	-	-	-	-	-
Dementia Therapy Sessions	2,350	-	-	(2,350)	-	-	-	-	-	-
Northern Rock Foundation	16,681	-	-	(16,681)	-	-	-	-	-	-
Admiral Nurse - Henfry Trust	8,641	-	-	-	8,641	-	-	-	-	8,641
Sir James Knott Trust	6,348	-	-	(6,348)	-	-	-	-	-	-
Wolfson Foundation	22,300	-	-	(22,300)	-	-	-	-	-	-
Hospice at Home	7,185	35,185	(42,370)	-	-	-	-	-	-	-
Ambling Angelas Fund	568	-	-	(568)	-	-	-	-	-	-
Dementia Project	3,966	-	(3,966)	-	-	-	-	-	-	-
Develop & Promote Berwick Services - Lough Fund	8,589	-	(8,589)	-	-	-	-	-	-	-
Berwick Hospice Services	1,100	1,000	(2,100)	-	-	-	-	-	-	-
Co-op Wellbeing	1,445	-	-	(1,445)	-	-	-	-	-	-
Headsets	35	-	-	(35)	-	-	-	-	-	-
Winham - Elderly	5,000	-	-	-	5,000	-	(3,000)	(2,000)	-	-
Berwick Garden Fund	33	-	-	(33)	-	-	-	-	-	-
Northumberland Estates Charitable Fund	-	-	-	-	-	5,000	(2,000)	-	-	3,000
Alnwick Equipment Fund	-	4,500	-	(4,500)	-	-	-	-	-	-
Film 2022	-	2,378	(2,378)	-	-	-	-	-	-	-

21 Restricted funds **(Continued)**

Dementia Cafe	-	308	(308)	-	-	-	-	-		-
Winham - Dementia	-	5,000	(849)	-	4,151	-	-	(3,832)	-	319
Persula Foundation	-	-	-	-	-	2,000	(2,000)	-	-	-
Hadrian Trust	-	-	-	-	-	2,000	(2,000)	-	-	-
Grace Trust	-	-	-	-	-	2,000	(2,000)	-	-	-
William Webster	-	-	-	-	-	5,000	(5,000)	-	-	-
JGW Patterson	-	-	-	-	-	15,000	(15,000)	-	-	-
Alnwick Town Council	-	-	-	-	-	3,000	(3,000)	-	-	-
	119,645	48,371	(64,326)	(85,898)	17,792	34,000	(34,000)	(5,832)	-	11,960

Transfers from restricted to unrestricted funds relate to restricted funds used in the year on capital expenditure (£5,832), and fund balances brought forward that have actually been spent in prior years.

22 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 April 2023	Incoming resources	Resources expended	Transfers	At 31 March 2024
	£	£	£	£	£
General funds	1,021,650	1,048,632	(1,186,463)	5,832	889,651

Previous year:	At 1 April 2022	Incoming resources	Resources expended	Transfers	At 31 March 2023
	£	£	£	£	£
Budget Deficit	115,163	-	-	(115,163)	-
General funds	895,337	759,665	(834,412)	201,060	1,021,650
	1,010,500	759,665	(834,412)	85,897	1,021,650

The Budget Deficit fund was designated by trustees to cover the deficit budgeted for the year. A surplus is budgeted for the 2023/24 financial year so the balance has been transferred to general funds.

23 Analysis of net assets between funds

	Unrestricted funds 2024	Restricted funds 2024	Total 2024
	£	£	£
At 31 March 2024:			
Tangible assets	140,407	-	140,407
Current assets/(liabilities)	749,244	11,960	761,204
	889,651	11,960	901,611

	Unrestricted funds 2023	Restricted funds 2023	Total 2023
	£	£	£
At 31 March 2023:			
Tangible assets	190,886	-	190,886
Current assets/(liabilities)	830,764	17,792	848,556
	1,021,650	17,792	1,039,442

24 Operating lease commitments

Lessee

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2024	2023
	£	£
Within one year	39,583	11,777
Between two and five years	5,250	3,360
	44,833	15,137

The above commitments due within 1 year includes £8,760 relating to property leases which are the minimum amounts due taking into account break clauses and notice periods in the lease terms.

25 Related party transactions

During the year the charity received £1,431 (2023: £674) in donations and fundraising income from trustees and their close family relations.

During the year the charity received £1,250 (2023: £745) in donations and fundraising income key management personnel and their close family relations.

During the year the charity incurred expenditure of £73,504 (2023: £85,578) to entities that provide key management personnel services to the charity. At the year end there was a balance of £12,795 (2023: £12,476) in trade creditors relating to entities that provide key management personnel services to the charity.

26 Cash generated from operations

	2024	2023
	£	£
Deficit for the year	(137,831)	(90,703)
Adjustments for:		
Investment income recognised in statement of financial activities	(16,566)	(3,562)
Gain on disposal of tangible fixed assets	(450)	-
Depreciation and impairment of tangible fixed assets	59,195	15,853
Movements in working capital:		
Decrease/(increase) in debtors	53,559	(48,251)
(Decrease)/increase in creditors	(2,745)	30,286
(Decrease)/increase in deferred income	(453)	1,116
Cash absorbed by operations	(45,291)	(95,261)

THE NORTH NORTHUMBERLAND HOSPICE

England & Wales - Charity number 1103635

Accounts

Charity registration number 1103635

Company registration number 04925273 (England and Wales)

THE NORTH NORTHUMBERLAND HOSPICE

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

THE NORTH NORTHUMBERLAND HOSPICE

LEGAL AND ADMINISTRATIVE INFORMATION

Patron	The Lady Joicey	
Trustees	Mrs E C Beauchamp	(Appointed 30 May 2022)
	Mrs L H M Carroll	
	Mrs L Clark	(Appointed 15 May 2023)
	Mr J Cooke MBE	(Appointed 20 September 2022)
	Mrs J Raine	(Appointed 15 May 2023)
	Mrs S E Sherrard	
	Mrs D Trafford	(Appointed 18 July 2022)
	Dr M J Torkington	(Appointed 17 July 2023)
	Sir A W Craft	(Appointed 17 July 2023)
Key management personnel	M Thornicroft, CEO	
	C Orife, Head of Care	
	N Brereton, Interim Head of Finance	
	D Hart, Head of Income Generation	
	E McKay, Operations Manager	
Charity number	1103635	
Company number	04925273	
Registered office	Unit 3 Willowburn Avenue Alnwick Northumberland NE66 2DG	
Auditor	Saint & Co. Sterling House Wavell Drive Rosehill Carlisle CA1 2SA	
Bankers	HSBC 110 Grey Street Newcastle Upon Tyne NE1 6JG	

THE NORTH NORTHUMBERLAND HOSPICE

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THE NORTH NORTHUMBERLAND HOSPICE

CHAIRPERSON'S REPORT

FOR THE YEAR ENDED 31 MARCH 2023

Welcome to our Annual Report for the year ending March 2023 and as you read in the Trustees' Report the year has been marked by the strengthening of many aspects of HospiceCare North Northumberland in preparation for a new strategic direction for 2024 – 2027.

Our services are free at the point of need, which means no one will pay for our team's palliative care and support.

Our Values are at the heart of what we do and underpin what the trustees, all staff, and volunteers do throughout the organisation, as seen in this Annual Report with our Caring, Collaborative, Communicative, Innovative and Can-Do attitude. The Trustees remind themselves regularly why we exist, and we question, challenge, and aim to govern effectively. We strive to do the best we can to ensure we give the best support to the dying and their families.

The demand for our Hospice at Home Caring service continues to increase, and during the year, we have strengthened our nursing workforce and recruited additional nursing staff and resources. During the year the total number of patients supported by the Nursing Team amounted to 54. Our Dementia Support Services supported 397 people at football and café sessions. The Family Support Service supported a total of 247 people at café sessions and with 1 to 1 support. Meeting this increased demand comes at a cost. On top of this, HospiceCare has experienced the effects of the rising cost of living over the last year, which increases our running costs, such as staff and energy costs, to keep our hospice functioning. The pressures on the cost of living also mean that it's harder for us to fundraise, as donors in our community have less money to give. We need to raise over £1 million annually, and with the NHS only funding 4% of this income, the rest we have to find from donations, fundraising, legacies, trusts, and our charity shops.

All of this gives HospiceCare financial challenges as we move into 2023-24, and the trustee's strategic direction and thinking will include looking at new ways of collaboration, increasing and diversifying our fundraising efforts, increasing our retail operation, and more ways of nurturing and working with our ever-increasing number of volunteers.

Innovation will only truly flourish within partnership working, and this has begun with our collaborative work with Tynedale Hospice At Home (THH). Mike Thornicroft joined us from THH as our interim Chief Executive in May 2022, along with Chris Orife as Head of Care, and both are now in permanent posts with HCNN. They have been instrumental in navigating HospiceCare through a favourable period of change by embedding a new Senior Management Team and leading the way forward for all our staff and volunteers. There has been shared training and learning which has benefited all our workforces.

We would particularly like to thank Mike and Chris for their hard work in supporting our aspirational vision for HospiceCare to provide excellent palliative care in our communities and work alongside our healthcare partners in our communities. This partnership with Tynedale can lead to broader strategic thinking for palliative care across Northumberland.

Trustees have addressed the diversity of their Board and the charity's leadership and effectiveness with an audit of trustee skills, experience, and diversity of background of its members, and we have recruited new trustees who bring a wealth of knowledge. We have ongoing work to improve the diversity. Risk Registers are now a regular feature in the Trustee committees and the Board meetings. Further improvements to the Board's consideration of risk will always be a priority.

The Charity Governance Code encourages charities to have an annual review of governance and an external review every three years. The trustees commissioned an external Board Review in February 2023, with completion in July 2023. We were pleased that the result stated that the Board of Trustees is currently effective with no urgent or acute issues but gave valuable direction to strengthen the Board to help develop and progress. Trustees and the Senior Management Team have begun to map out a plan to complete this work. Work has already started to prepare for the completion of the following 3-year strategic objectives with an aligned financial strategy to begin in 2024 - 2027.

We will communicate and consult widely and agree on strategic objectives and values that aim to achieve HCNN's charitable purposes moving into the future.

On behalf of all the Trustees thank you to our dedicated Senior Management Team, all staff, and volunteers who make HospiceCare the wonderful charity it is today.

We appreciate that times are tough for many at the moment with money being tight, and we extend a sincere and huge thank you to all those who support us financially alongside the NHS; this includes our donors, Trusts, Ambassadors, friends, fundraisers, charity shop customers and those people who remember us in their Wills. This kindness and commitment is how we carry out our mission to deliver palliative end-of-life care in our communities.

Thank you for sharing our passion, commitment, and drive for high-quality end-of-life care.

.....

Lucy Carroll

Chairperson

THE NORTH NORTHUMBERLAND HOSPICE

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MARCH 2023

The trustees, who are also directors for the purposes of company law, present their annual report and financial statements for the year ended 31 March 2023.

Objectives and activities

Objects and aims

Founded in 1995, the Hospice provides palliative care to people who have life limiting illnesses. We address their physical, emotional, social and psychological needs, enhancing their quality of life while at the same time supporting their carers and families.

The Hospice objects are:

- The care and relief of persons suffering from a potentially life-limiting illness, the support of carers and the bereaved, all in such ways as the Trustees shall from time to time think fit, and primarily in North Northumberland.
- The provision in the interest of social welfare of recreational facilities for such persons.

The Hospice operates from two sites, Alnwick and Berwick-upon-Tweed, to accommodate the largely rural and sparsely populated area of North Northumberland. Patient choice and their individual needs determine where HospiceCare services are delivered, whether at home or in the Hospice building. The Hospice adopts a holistic approach to patients and families, offering services and interventions of care and support which are flexible and tailored to meeting their needs.

We are caring, we pursue excellence, we innovate, we collaborate, we communicate, and we adopt a can-do attitude. We are HospiceCare North Northumberland.

The trustees regularly review our objectives, aims and activities, looking at the number of people we reach, the type and extent of services we provide, and the benefits we bring to our patients and their families. Palliative care is a continually developing field, and we respond by expanding our services to achieve the best possible outcome in each patient's circumstances. We have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional third party fundraiser or commercial participator to raise funds. Any monies raised direct from the public follow all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

Achievements and performance

Review of Activities and the Public Benefit

At the end of the financial reporting period, we provided the following operational services for the public benefit.

Nursing - Hospice at Home Service

Our nursing team works with the Primary Care Network team of GPs, Community Nurses, Macmillan Nurses, and allied health professionals across North Northumberland to provide nursing care to beneficiaries on the Palliative Care register and who are nearing end of life. Our Hospice Registered Nurses:

- administer medication in response to symptom management
- offer advice and support to those suffering life-limiting illnesses and their carers
- assist with Advance Care planning if desired.

We deliver nursing care in the patient's home to adults aged 18 years and over who are at End of Life. We employ a team of Registered Nurse and Hospice Support Workers to support patients 356 days a year 24 hours a day. We adhere to current infection prevention guidelines and legislation regarding COVID-19, adapt our PPE policies and procedures to reflect this.

The CEO and Head of Care from Tynedale Hospice at Home provided management support from May 2022, initially on an Interim basis, but this has become a long-term commitment. During the year they and Trustees have continued to implement the recommendations from the external clinical review, and in order to complete this the nursing services were paused from May 22 to July 22 which ensured compliance with relevant legislation. *During the reporting period, we delivered 3,494 hours of nursing hours of care and support and supported 82 people* at the End of Life.

Dementia Café Alnwick & Berwick Wellbeing Centres.

Our service supports people living with dementia and their carer(s). It allows social engagement, advice and support from our Dementia Support worker. Services include Dementia Cafés, Walking Football, and client visits. The cafes are run regularly at our Wellbeing Centres in Alnwick and Berwick. We delivered Dementia services (Football and Dementia cafés) to 112 attendees.

Family/Bereavement Support Service

We provide an active listening and support service for those who have experienced bereavement or pre-bereavement. We offer support for those caring for loved ones with a life-limiting illness, and our trained volunteers understand the feelings of grief and loss associated with bereavement. We supported 159 people who came to us for emotional support, pre and post bereavement, in our Bereavement cafés and during 1-1 sessions. Our Family Support Coordinator is currently undertaking training to extend the current service to provide counselling.

NURSING CARE	2022/23	2021/22
Total number of patients supported by the care service	54	110
Total new referrals	48	85
Total hours of care provided	2166	2900

DEMENTIA SUPPORT	2022/23	2021/22
Number of new referrals	26	15
Dementia Football (total participants)	259	76
Dementia café Alnwick (total visitors)	118	202
Dementia café Berwick (total visitors)	20	7

FAMILY SUPPORT	2022/23	2021/22
Number of new referrals	75	47
Cumulative clients supported	247	52
Bereavement café Alnwick (visitors)	123	14
Bereavement café Berwick (visitors)	76	5

Fundraising

We need to raise over £1 million annually to continue to provide our current level of care in the community, and the NHS fund only 4% of this income. The remainder we have to find from donations, fundraising, legacies, trusts and our charity shops.

Donations

We were delighted to be chosen by NFU Mutual to be nominated to receive a large sum from their Community Foundation. The Red Lion in Alnmouth also chose us again for their annual Beer Festival. We took part in the Big Christmas Campaign for a 2nd year – doubling our target from 2021/2022 and exceeding it in the live week, with the largest donation being £10,000. Our engagement with the communities through formal Talks, and fundraising events have returned to normal after the COVID-19 restrictions. They are essential communications to help people understand how important their donations are for the delivery of the care.

Events and Community Fundraising

Our Joy of Christmas Fair had been so successful that, for its 10th Anniversary in 2022, we sold out the whole 2 days of exhibitors. Golf days have also continued to be successful for the charity with us hosting another in Wooler.

Recruitment

Whilst recruitment was happening for a Community and Events Fundraiser and a Head of Income Generation, there was re-delegation of event and campaign planning amongst the team. An appointment for a Fundraiser was made in August 2022 and the Head of Income Generation in December 2022. Our existing Events and Community Fundraiser completed her IOF Certificate in Fundraising and was appointed as Fundraising Manager initially on an interim basis, but then permanently.

Analytics and looking forward

From January 2023- March 2023 time was spent defining procedures reports and trialling new platforms with our Supporter Care colleague and Fundraising Administrator.

From April 1st 2022- March 31st 2023 there were 1,033 new donors added to our database, of which 910 were individual contacts who had donated or attended events and 1/3 of them have opted into our monthly e-newsletter.

Looking forward we learn and improve through the review and analysis of events, this ensures efficient and effective planning for the year ahead.

Volunteers

The Fundraising Manager and Fundraising Administrator completed an audit of Fundraising volunteers. Reviewing the roles we required, skills of our current volunteers and the areas where we need to target recruitment. We identified opportunities for High School students, work experience students, van drivers and volunteers to help set up and clear down events as well as those who can attend local shows on our behalf.

Retail

This financial year saw combined income from our shops in Amble, Berwick and Wooler of around £270,000 return to March 2020, pre-Lockdown, levels. December saw the launch of an E-Commerce retail operation to capitalise on the growing trend for online purchasing. We anticipate a healthy growth in this income stream in the coming months and years. Plans are afoot to expand our retail estate when suitable outlets become available in key locations, including the introduction of dedicated furniture stores where viable.

Our People

Our Staff

The trustees recognise the commitment and hard work that the entire staff and volunteer team have shown during the year. The strong leadership from the Senior Management Team has provided a period of stability and a solid platform for the Hospice to progress. Our Income Generation Team continued to work tirelessly to encourage our community to support the hospice throughout the year; our People and Finance teams ensured all the systems within the hospice operated as effectively and efficiently as they possibly could. Our unreserved thanks go to all the team.

Our volunteers

We are fortunate to have approximately 170 enthusiastic and committed volunteers who contribute many hours of their time. They support the organisation with bereavement support, at wellbeing cafes, fundraising events, retail shops, administrative work, helping at events, drivers, and the Castleside Crafters. We could not survive without the kind generosity of those who give their skills and time at no charge to the hospice. Our gratitude to this group of individuals is immeasurable.

Our annual Volunteer Awards ceremony was held in October 2022, and was developed to show appreciation and recognition for those staff and volunteers who have provided long service to HCNN. Awards are given in increments of 5 years; however, volunteers also receive an award after 1 year of volunteering.

Our donors

Our community continued to support the hospice with generous donations of clothing and other pre-loved items for our shops and with financial contributions towards our running costs.

We need to raise approximately £1,000,000 annually to provide our current level of care in the community, and the NHS fund less than 4% of this income. This fact is a challenge and can only be achieved with the support of the wonderful people of North Northumberland and their support for the essential work that the hospice does to provide support to people at the times when they need it most.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

Financial review

This was the first 'post COVID-19' year of operations following the disruption to our fundraising and income generation in the previous two years. There were also significant changes in personnel at the Hospice with a new leadership team coming into place through the year.

Our total income fell by £239,983 to £808,036 and we had a net deficit of £90,703 compared to a net surplus in 2021-22 of £99,232.

Our fundraising events saw a small fall in income reflecting the impact of the pandemic particularly on sponsored events. Trust income fell by £54,900 to £72,200. We received £65,057 in 2021-22 in grants related to the pandemic which were not available during the reporting year. And we recognised a large legacy in 2021-22 which was valued at £180,000. The value of this legacy was increased to £281,804 in the 2022-23 accounts, but overall legacies income fell by £162,095 to £103,351.

Our shops income increased by £27,751 to £269,896 reflecting our continued support within the local community and a successful 'bounce back' from two years of disrupted trading during the pandemic.

Income from the NHS increased slightly to £43,070 and income from investments was comparable with the previous year.

Our total expenditure decreased due to unfilled staff vacancies during the year and a pause in clinical services. This is reflected as a decrease in expenditure from £948,787 in 2022 to £898,739 in 2023.

Our expenditure on Clinical services increased from £600,907 in 2022 to £613,894 in 2023 and includes all the costs associated with delivering our charitable services.

The charity's total funds decreased from £1,130,145 to £1,039,442 at 31 March 2023, of which £1,021,650 was unrestricted.

During the year we have made significant changes to our staffing structure, bringing in a Head of Income Generation and an Operations Manager to streamline and improve our operational activities. There has been investment in technology and new processes within our retail and fundraising operations, including collecting gift aid on the sale of donated goods and moving fundraising activity to a new online platform. The staff team are working hard to increase income for future years from fundraising and retail activities.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves – those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of six to nine months of operating expenditure (up to a maximum of 12 months), which would equate to holding approximately £450,000 to £675,000 in free reserves.

At the year end, free reserves were £830,764 (2022: £808,862), an increase of £21,902 in the year.

Plans for future periods

1. **Reach unmet needs** - we will continue to explore where our support and care can make the most significant impact and continue to do more for our communities.

2. **Keeping our 'quality'** - Our key asset is the high quality of our services. The people whom we employ to support our community need to be well-trained and supported. As we grow and reach unmet needs, we will ensure we maintain the highest quality in all that we do.

3. **Being sustainable** - We recognise that within the growth, we must ensure the longevity of our services. Being mindful of our financial needs and diversifying our income streams is one way we will be sustainable in the future. Work has begun on implementing Gift Aid in all our retail shops, which will make a significant difference to our income.

To achieve our strategy, we have focussed on four fundamental changes which will enable us to achieve our three key aims moving forward.

1. **Governance** - The trustees commissioned an external Board Review in February 2023 which was completed in July 2023 and concluded that the Board of Trustees is currently effective with no urgent or acute issues, but gave direction of ways to strengthen the board to help develop and progress. The Trustees and the Senior Management Team have begun this work, which includes plans to focus on formulating a 3-year 2024 – 2027 strategic plan, with clear and concise strategic objectives that can be monitored. The collaboration work with Tynedale Hospice at Home will be an important part of the future plans.

2. **A new Head of Income Generation post** - To remain financially sustainable within a growing organisation, we need to focus on a diverse income portfolio. We appointed a Head of Income Generation, as part of the Executive Team to ensure that we deliver this.

3. **Investment in our people** - To deliver quality within our services, we recognise the importance of valuing our team members, staff, and volunteers. We continued with the 'I Matter' which is an employee wellbeing programme, and the Nuture Fund to champion the needs of our workforce (training and resilience) to continue to provide 'quality' within all our services.

4. **Collaboration** - Working within rural North Northumberland, we recognise the need to ensure that our services dovetail seamlessly within the local healthcare environment. Working with Northeast and North Cumbria Hospices Collaborative, and more closely with Tynedale Hospice at Home, the Primary Care Network and Northumbria Healthcare NHS Foundation Trust, we aim to ensure that our services reach those who need us at the right time and in the right way.

Structure, governance and management

Nature of governing document

The North Northumberland Hospice, operating as HospiceCare North Northumberland, (The Hospice) is the local charity supporting people living with life limiting illnesses.

The Hospice is a charitable company limited by guarantee, company number 04925753, and is a registered charity, number 1103635 (England and Wales) incorporated on 8 October 2003. Following a rebranding in March 2008, the Hospice is known for trading purposes only as HospiceCare North Northumberland, but this does not affect either its charity or company registrations. The charitable company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up, members (the only class of which at present are current trustees and the company secretary) are required to contribute an amount not exceeding £10. The directors of the company are also charity trustees for the purpose of charity law.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr P W Atkinson CBE	(Resigned 31 August 2023)
Mrs E C Beauchamp	(Appointed 30 May 2022)
Mrs L H M Carroll	
Mrs L Clark	(Appointed 15 May 2023)
Mr J Cooke MBE	(Appointed 20 September 2022)
Mrs J Raine	(Appointed 15 May 2023)
Mrs S E Sherrard	
Mrs D Trafford	(Appointed 18 July 2022)
Mrs J L E Lothian	(Resigned 30 April 2022)
Mr S Hulme	(Resigned 25 July 2022)
Mrs J Kelly	(Resigned 15 November 2022)
Dr M J Torkington	(Appointed 17 July 2023)
Sir A W Craft	(Appointed 17 July 2023)

Induction and training of trustees

New trustees are invited to meet with the Chair and then a wider group of trustees prior to appointment, in order to gain an overall understanding of the day to day work of the Hospice. All trustees are provided with a comprehensive induction. An information folder has been produced and issued to all existing and new trustees, giving them information on their governance responsibilities as a Hospice trustee, background information on the Memorandum and Articles of Association, Financial Accounts, Business Plan and Contingency Plan. Governance training is provided by a leading charity law firm with comprehensive training on the legal duties and responsibilities of trustees.

Organisational structure

The Hospice has a Board of trustees which currently comprises nine members, with twelve being the maximum permitted under the Articles of Association. The trustees come from a variety of backgrounds, bringing an appropriate mix of clinical, professional and managerial skills and experience that enables them to contribute to the effective working of the Hospice. There are bi-monthly Board meetings to review the governance of the operations and strategy, which are also attended by the Chief Executive and other members of the Executive Team as appropriate. Committees reporting to the Board have been established to deal with designated areas of trustee responsibility as follows:

• **Clinical Governance Group** – Chair: Sue Sherrard - Bi-monthly, between Board meetings, to review clinical governance, risks, clinical strategy and provide support for the senior team.

• **Finance and Income Generation Committee** – Chair: Elaine Beauchamp - Bi-monthly, between Board meetings to review the financial performance of the organisation against financial budgets and forecasts, cash and reserves positions, fundraising strategy, risks, and all aspects of the related administrative support functions.

• **People and Support Services Committee** – Chair: Debbie Trafford - Bi-monthly, between Board meetings, to review human resources, risks, data, health and safety governance, people and marketing and communications strategy and provide support for the senior team.

The Executive Team and Board of trustees work to appropriate Charity Commission and Companies House Codes of Conduct. Copies of Standing Order Financial Instructions have been issued to all members of the Board and a Policy folder is available to all relevant persons.

All trustees, staff, and volunteers are subject to Disclosure and Barring Service checks where appropriate, before taking up a post with the Hospice.

The Hospice is registered with the Care Quality Commission, Information Commissioner's Office, Fundraising Regulators and Gambling Licencing Authority.

The Hospice operates a policy of Fair Treatment for all.

Statement of trustees' responsibilities

The trustees, who are also the directors of The North Northumberland Hospice for the purpose of company law, are responsible for preparing the Trustees' 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 charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 judgements and estimates that are reasonable and prudent; 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 charity 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 charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Saint and Co as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The trustees' report was approved by the Board of Trustees.

Mrs E C Beauchamp
Trustee

Mrs L H M Carroll
Trustee

27 November 2023

THE NORTH NORTHUMBERLAND HOSPICE

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF THE NORTH NORTHUMBERLAND HOSPICE

Opinion

We have audited the financial statements of The North Northumberland Hospice (the 'charity') for the year ended 31 March 2023 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees, who are also the directors of the charity for the purpose 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 charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

The extent to which the audit was considered capable of detecting irregularities including fraud

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- To address the risk of fraud through management bias and override of controls, we:
  - performed analytical procedures to identify any unusual or unexpected relationships;
  - tested journal entries to identify unusual transactions;
  - assessed whether judgements and assumptions made in determining the accounting estimates set out in the accounting policies were indicative of potential bias; and
  - investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Saint & Co

13.12.23

Saint & Co.

Chartered Accountants
Statutory Auditor

Sterling House
Wavell Drive
Rosehill
Carlisle
CA1 2SA

Saint & Co. is eligible for appointment as auditor of the charity by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

THE NORTH NORTHUMBERLAND HOSPICE

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Income from:							
Donations and legacies	3	374,821	47,161	421,982	585,196	125,278	710,474
Charitable activities	4	43,070	-	43,070	42,060	-	42,060
Other trading activities	5	338,212	1,210	339,422	291,005	1,258	292,263
Investments	6	3,562	-	3,562	3,222	-	3,222
Total income		759,665	48,371	808,036	921,483	126,536	1,048,019
Expenditure on:							
Raising funds	7	282,467	2,378	284,845	346,622	1,258	347,880
Charitable activities	8	551,945	61,949	613,894	321,741	279,166	600,907
Total expenditure		834,412	64,327	898,739	668,363	280,424	948,787
Net (outgoing)/incoming resources before transfers		(74,747)	(15,956)	(90,703)	253,120	(153,888)	99,232
Gross transfers between funds		85,897	(85,897)	-	(101,155)	101,155	-
Net income/(expenditure) for the year/ Net movement in funds		11,150	(101,853)	(90,703)	151,965	(52,733)	99,232
Fund balances brought forward		1,010,500	119,645	1,130,145	858,535	172,378	1,030,913
Fund balances carried forward		1,021,650	17,792	1,039,442	1,010,500	119,645	1,130,145

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 19 to 34 form part of these financial statements.

THE NORTH NORTHUMBERLAND HOSPICE

BALANCE SHEET

AS AT 31 MARCH 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	**14**		190,886		201,638
Current assets					
Debtors	**15**	355,546		307,295	
Cash at bank and in hand		586,182		682,981	
		941,728		990,276	
Creditors: amounts falling due within one year	**16**	(93,172)		(61,769)	
Net current assets			848,556		928,507
Total assets less current liabilities			1,039,442		1,130,145
Income funds					
Restricted funds	**19**		17,792		119,645
Unrestricted funds					
Designated funds	**20**	-		115,163	
General unrestricted funds		1,021,650		895,337	
			1,021,650		1,010,500
			1,039,442		1,130,145

The notes on pages 19 to 34 form part of these financial statements.

THE NORTH NORTHUMBERLAND HOSPICE

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2023

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 March 2023, although an audit has been carried out under section 144 of the Charities Act 2011.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 27 November 2023.

~~Mrs E G Beauchamp~~
Trustee

Mrs L H M Carroll
Trustee

Company registration number 04925273

THE NORTH NORTHUMBERLAND HOSPICE

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

	Notes	2023		2022	
		£	£	£	£
Cash flows from operating activities					
Cash (absorbed by)/generated from operations	**25**		(95,261)		24,568
Investing activities					
Purchase of tangible fixed assets		(5,100)		-	
Proceeds from disposal of tangible fixed assets		-		1,983	
Investment income received		3,562		3,222	
Net cash (used in)/generated from investing activities			(1,538)		5,205
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(96,799)		29,773
Cash and cash equivalents at beginning of year			682,981		653,208
Cash and cash equivalents at end of year			586,182		682,981

The notes on pages 19 to 34 form part of these financial statements.

1 Accounting policies

Charity information

The North Northumberland Hospice is a private company limited by guarantee incorporated in England and Wales. The registered office is Unit 3 Willowburn Avenue, Alnwick, Northumberland, NE66 2DG.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from grants receivable is recognised when the charity is entitled to the funds and any conditions linked to the grants have been met. Where performance related conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

1 Accounting policies **(Continued)**

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	2% straight line
Leasehold improvements	Straight line over 10 year lease term
Fixtures and fittings	10% - 20% straight line
Computers	50% straight line
Motor vehicles	20% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

At each reporting end date, the charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

1.8 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 Financial instruments

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

Financial instruments are recognised in the charity's balance sheet when the charity becomes party to the contractual provisions of the instrument.

1 Accounting policies **(Continued)**

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Basic financial liabilities

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

Derecognition of financial liabilities

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

1.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due. All eligible employees are automatically enrolled into a workplace pension scheme. Some clinical staff are members of the NHS pension scheme.

2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Donations and legacies

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Donations and gifts	276,803	47,161	323,964	304,061	75,910	379,971
Legacies receivable	103,351	-	103,351	265,446	-	265,446
Government grants	(5,333)	-	(5,333)	15,689	49,368	65,057
	374,821	47,161	421,982	585,196	125,278	710,474
Donations and gifts						
Community fundraising	33,765	5,808	39,573	36,327	2,210	38,537
Sponsored events and donations	206,738	5,453	212,191	214,334	-	214,334
Donations from trusts	36,300	35,900	72,200	53,400	73,700	127,100
	276,803	47,161	323,964	304,061	75,910	379,971

4 Charitable activities

	NHS Trust Contract 2023 £	NHS Trust Contract 2022 £
Services provided under contract	43,070	42,060

5 Other trading activities

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £
Fundraising events	65,600	1,210	66,810	45,159	1,258	46,417
Shop income	269,896	-	269,896	242,145	-	242,145
Lottery income	2,716	-	2,716	3,701	-	3,701
Other trading activities	338,212	1,210	339,422	291,005	1,258	292,263

6 Investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Interest receivable	3,562	3,222

7 Raising funds

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2023	2023	2023	2022	2022	2022
	£	£	£	£	£	£
Fundraising and publicity						
Lottery costs	1,244	-	1,244	1,305	-	1,305
Staging fundraising events	16,620	-	16,620	13,977	-	13,977
Advertising	642	-	642	3,890	-	3,890
Other fundraising costs	21,503	2,378	23,881	16,471	1,258	17,729
Staff costs	87,680	-	87,680	62,027	-	62,027
Fundraising and publicity	127,689	2,378	130,067	97,670	1,258	98,928
Trading costs						
Operating charity shops	65,098	-	65,098	153,448	-	153,448
Staff costs	88,719	-	88,719	78,377	-	78,377
Depreciation and impairment	961	-	961	17,127	-	17,127
Trading costs	154,778	-	154,778	248,952	-	248,952
	282,467	2,378	284,845	346,622	1,258	347,880

8 Charitable activities

	Clinical Services 2023 £	Clinical Services 2022 £
Staff costs	271,398	311,098
Depreciation and impairment	300	-
Travel expenses	19,759	25,894
Other hospice expenses	17,684	15,353
	309,141	352,345
Share of support costs (see note 9)	290,221	236,117
Share of governance costs (see note 9)	14,532	12,445
	613,894	600,907
Analysis by fund		
Unrestricted funds	551,945	321,741
Restricted funds	61,949	279,166
	613,894	600,907

9 Support costs

	Support costs	Governance costs	2023	Support costs	Governance costs	2022
	£	£	£	£	£	£
Staff costs	160,438	-	160,438	230,769	-	230,769
Depreciation	14,592	-	14,592	-	-	-
Consultancy fees	25,860	-	25,860	-	-	-
Travel expenses	859	-	859	-	-	-
Marketing	1,500	-	1,500	5,348	-	5,348
Admin costs	34,466	-	34,466	-	-	-
Office equipment	4,757	-	4,757	-	-	-
Property costs	32,943	-	32,943	-	-	-
Telephone	1,778	-	1,778	-	-	-
Other costs	10,134	-	10,134	-	-	-
Bank charges	2,894	-	2,894	-	-	-
Audit fees	-	3,875	3,875	-	5,250	5,250
Accountancy	-	1,990	1,990	-	-	-
Legal and professional	-	7,556	7,556	-	4,974	4,974
Trustee costs	-	1,111	1,111	-	2,221	2,221
	290,221	14,532	304,753	236,117	12,445	248,562
Analysed between						
Charitable activities	290,221	14,532	304,753	236,117	12,445	248,562

10 Net movement in funds

	2023	2022
	£	£
Net movement in funds is stated after charging/(crediting)		
Fees payable to the company's auditor for the audit of the company's financial statements	3,875	5,250
Fees payable to the company's auditor for non-audit services	1,990	-
Depreciation of owned tangible fixed assets	15,853	17,127
Operating lease payments recognize in expenses	31,860	28,500

11 Trustees

None of the trustees (or any persons connected with them) received any remuneration or benefits from the charity during the year. Two trustees received reimbursement of expenses from the charity totalling £530 (2022: £239).

12 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Clinical	24	25
Administrative	6	7
Income generation and marketing	4	3
Retail	8	9
Domestic	2	2
Total	44	46

Employment costs	2023 £	2022 £
Wages and salaries	553,037	601,752
Social security costs	26,453	39,745
Other pension costs	28,745	40,774
	608,235	682,271

The above staff costs include non-payroll workers.

There were no employees whose annual remuneration was more than £60,000.

13 Taxation

The charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objects.

14 Tangible fixed assets

	Freehold property	Leasehold improvements	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 April 2022	354,994	26,168	47,450	3,978	8,300	440,890
Additions	-	-	4,500	600	-	5,100
At 31 March 2023	354,994	26,168	51,950	4,578	8,300	445,990
Depreciation and impairment						
At 1 April 2022	182,253	10,629	34,891	3,978	7,500	239,251
Depreciation charged in the year	7,100	2,617	5,036	300	800	15,853
At 31 March 2023	189,353	13,246	39,927	4,278	8,300	255,104
Carrying amount						
At 31 March 2023	165,641	12,922	12,023	300	-	190,886
At 31 March 2022	172,742	15,539	12,557	-	800	201,638

15 Debtors

Amounts falling due within one year:	2023 £	2022 £
Trade debtors	22,064	5,315
Other debtors	33,588	24,356
Prepayments and accrued income	299,894	277,624
	355,546	307,295

Prepayments and accrued income above includes £281,804 (2022: £180,000) relating to legacy income not received by the year end but has been recognised in the financial statements because entitlement was established and the amount could be reliably estimated at that time. An advance of £200,000 was received in relation to this legacy in October 2023.

16 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Other taxation and social security		24,213	11,628
Deferred income	17	14,010	12,894
Trade creditors		23,243	16,911
Other creditors		5,158	5,160
Accruals and deferred income		26,548	15,176
		93,172	61,769

17 Deferred income

	2023 £	2022 £
Other deferred income	14,010	12,894

Deferred income is included in the financial statements as follows:

	2023 £	2022 £
Deferred income is included within:		
Current liabilities	14,010	12,894

Movements in the year:

17 Deferred income **(Continued)**

Deferred income at 1 April 2022	12,894	16,439
Released from previous periods	(12,894)	(16,439)
Resources deferred in the year	14,010	12,894
Deferred income at 31 March 2023	14,010	12,894

Deferred income relates to income received in advance for fundraising events taking place in the next financial year.

18 Retirement benefit schemes

Defined contribution schemes

The charity operates two pension schemes.

Staff who are current or recent members of the NHS Pension Scheme (a multi-employer scheme), but are not yet drawing down its benefits, continue membership in their employment, and the charity pays the employer's contribution of 14.3%. This is a defined benefit scheme, but these accounts it is treated as a defined contributions scheme as the charity is not liable for any underfunding.

There is a "Direction" from the Department of Health which enables operation of the NHS Pension Scheme for staff who are contributing members in another employment or have been up to 12 months before joining the charity. Under this there is an obligation to ask new staff whether they qualify, and offer them continues membership if they do. They can decline in writing, and bank staff often do. New enrolments cannot be made into the scheme. For qualifying staff who decline to contribute in this employment, auto-enrolment rules for the People's Pension are followed.

The NHS Pension employer contribution rose from 14.3% to 20.6% in April 2019, but the government agreed to fund the increase centrally. There is also an admin fee of 0.08% payable by the employer. A scheme valuation is carried out every four years, with the next one due to conclude in Autumn 2023 and will determine the employer contribution rate for the four years from April 2024.

All other staff are auto-enrolled in or offered membership of the defined contribution People's Pension, and the charity makes a contribution of 5%.

The charge to profit or loss in respect of defined contribution schemes was £28,745 (2022 - £40,774).

19 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

		Movement in funds				Movement in funds				
	Balance at 1 April 2021	Incoming resources	Resources expended	Transfers	Balance at 1 April 2022	Incoming resources	Resources expended	Transfers	Revaluations, gains and losses	Balance at 31 March 2023
	£	£	£	£	£	£	£	£	£	£
Berwick Equipment Fund	597	-	-	(399)	198	-	-	(198)	-	-
Building Fund Donations	10,175	-	(318)	-	9,857	-	-	(9,857)	-	-
Dementia Walking Football	4,684	-	(918)	-	3,766	-	(3,766)	-	-	-
Department of Health	22,298	-	(715)	-	21,583	-	-	(21,583)	-	-
Dementia Therapy Sessions	2,350	-	-	-	2,350	-	-	(2,350)	-	-
Northern Rock Foundation	17,968	-	(1,287)	-	16,681	-	-	(16,681)	-	-
Admiral Nurse - Henfry Trust	8,641	-	-	-	8,641	-	-	-	-	8,641
Sir James Knott Trust	6,553	-	(205)	-	6,348	-	-	(6,348)	-	-
Wolfson Foundation	23,020	-	(720)	-	22,300	-	-	(22,300)	-	-
Hospice at Home	36,762	44,671	(175,636)	101,388	7,185	35,185	(42,370)	-	-	-
Ambling Angelas Fund	568	-	-	-	568	-	-	(568)	-	-
Dementia Project	8,101	733	(4,868)	-	3,966	-	(3,966)	-	-	-
Develop & Promote Berwick Services - Lough Fund	3,404	10,000	(4,815)	-	8,589	-	(8,589)	-	-	-
Berwick Hospice Services	100	1,000	-	-	1,100	1,000	(2,100)	-	-	-
Co-op Wellbeing	1,445	-	-	-	1,445	-	-	(1,445)	-	-
Headsets	35	-	-	-	35	-	-	(35)	-	-
Winham - Elderly	-	5,000	-	-	5,000	-	-	-	-	5,000
Berwick Garden Fund	33	-	-	-	33	-	-	(33)	-	-
Other funds cleared in 2022	25,644	65,132	(90,942)	166	-	-	-	-	-	-
Alnwick Equipment Fund	-	-	-	-	-	4,500	-	(4,500)	-	-
Film 2022	-	-	-	-	-	2,378	(2,378)	-	-	-
Dementia Cafe	-	-	-	-	-	308	(308)	-		-

19 Restricted funds **(Continued)**

Winham - Dementia	-	-	-	-	-	5,000	(849)	-	-	4,151
	172,378	126,536	(280,424)	101,155	119,645	48,371	(64,327)	(85,897)	-	17,792

Transfers from restricted to unrestricted funds relate to restricted funds used in the year on capital expenditure (£4,500), and fund balances brought forward that have actually been spent in prior years.

20 Designated funds

The income funds of the charity include the following designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1 April 2021	Transfers	Balance at 1 April 2022	Transfers	Balance at 31 March 2023
	£	£	£	£	£
Budget Deficit	112,180	2,983	115,163	(115,163)	-
	112,180	2,983	115,163	(115,163)	-

The Budget Deficit fund was designated by trustees to cover the deficit budgeted for the year. A surplus is budgeted for the 2023/24 financial year so the balance has been transferred to general funds.

21 Analysis of net assets between funds

	Unrestricted funds 2023	Restricted funds 2023	Total 2023	Unrestricted funds 2022	Restricted funds 2022	Total 2022
	£	£	£	£	£	£
Fund balances at 31 March 2023 are represented by:						
Tangible assets	190,886	-	190,886	124,869	76,769	201,638
Current assets/(liabilities)	830,764	17,792	848,556	885,631	42,876	928,507
	1,021,650	17,792	1,039,442	1,010,500	119,645	1,130,145

22 Operating lease commitments

At the reporting end date the charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2023	2022
	£	£
Within one year	11,777	13,000
Between two and five years	3,360	-
	15,137	13,000

The above commitments due within 1 year includes £8417 relating to property leases which are the minimum amounts due taking into account break clauses and notice periods in the lease terms.

23 Contingencies

At 31 March 2023 the charity was entitled to legacy income based on the residual estate of one benefactor. Since the amount was dependent on a property sale and therefore uncertain at the year end, the income has not yet been recognised in the financial statements. The charity expects to receive around £22,000 for this legacy.

24 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2023	2022
	£	£
Aggregate compensation	55,756	164,975

During 2022/23, the services of the CEO, Head of Care and Finance Manager were provided under Service Level Agreements with third party organisations and invoiced to the charity. Since they were not employees of the charity, the amounts payable for these services are not included in the remuneration figure above.

During the year the charity received £674 (2022: £3,335) in donations and fundraising income from trustees and their close family relations.

During the year the charity received £745 (2022: £581) in donations and fundraising income from senior managers and their close family relations.

25 Cash generated from operations

	2023	2022
	£	£
(Deficit)/surpus for the year	(90,703)	99,232
Adjustments for:		
Investment income recognised in statement of financial activities	(3,562)	(3,222)
Depreciation and impairment of tangible fixed assets	15,853	17,127
Movements in working capital:		
(Increase) in debtors	(48,251)	(88,506)
Increase in creditors	30,286	3,482
Increase/(decrease) in deferred income	1,116	(3,545)
Cash (absorbed by)/generated from operations	(95,261)	24,568

THE NORTH NORTHUMBERLAND HOSPICE

England & Wales - Charity number 1103635

Accounts

Company registration number: 04925273

Charity registration number: 1103635

THE NORTH NORTHUMBERLAND HOSPICE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2022

The North Northumberland Hospice

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The North Northumberland Hospice

Reference and Administrative Details

Patron	The Lady Joicey
Trustees	P W Atkinson CBE (appointed 27 April 2021) L H M Carroll S Hulme (resigned 25 July 2022) L A Ilderton (appointed 27 April 2021 and resigned 12 February 2022) J Kelly (appointed 27 April 2021) J L E Lothian (resigned 30 April 2022) J A Rutherford (resigned 27 July 2021) E C Beauchamp (appointed 30 May 2022) J Cooke MBE (appointed 20 September 2022) D Trafford (appointed 18 July 2022) S E Sherrard (appointed 22 March 2022)
Key Management Personnel	M Thornicroft, Interim CEO C Orife, Interim Care Manager. Registered Manager N Brereton, Interim Finance Manager (appointed September 2022) J McQueen, People Manager G Dickson, CEO (resigned 30 April 2022) N Burnett, Clinical Lead (resigned 30 April 2022) K Burton, People Manager (resigned 29 July 2022) B Stimpson, Finance Manager (resigned 30 September 2022)
Registered Office	Unit 3 Willowburn Avenue Alnwick NE66 2DG The charity is incorporated in England and Wales.
Company Registration Number	04925273
Charity Registration Number	1103635
Bankers	HSBC Grey Street 110 Grey Street Newcastle upon Tyne NE1 6JG
Auditor	Azets Audit Services Bulman House Regent Centre Gosforth Newcastle upon Tyne NE3 3LS

The North Northumberland Hospice

Chairperson's Report 2021-2022

As I write this year's report, I remind myself of the quote, "problems are not the problem: coping is the problem"

The Hospice is not immune from difficulties, and the recovery from the impact of COVID-19 has been challenging for all. Many have shown strong resilience and determination. We have consolidated to improve many aspects of our end of life palliative care work which you will read in the trustee report.

The trustees have continued to progress with carrying out their governance role to ensure suitable systems, control practices, and procedures. We have an ongoing programme with the management team for improvements and updates to ensure the organisation is strong for delivering end of life palliative care, bereavement and dementia support, from our main bases in Alnwick and Berwick-upon-Tweed.

The hard work over the last year of all our HospiceCare staff was recently recognised at the annual North Northumberland Voluntary Forum awards ceremony in September 2022, when the Hospice received the Project/Organisation of the Year award. This award was made against stiff local competition and is a testament to the hard work of our clinical, retail, and community. The Hospice also received the Alnwick Mayor's Civic Award 2021/ 2022 in recognition of the caring work during the pandemic.

The Hospice reports a favourable financial position with a solid vision to ensure sustainability. We plan to employ a Head of Income Generation to manage the delivery of our strategic values for economic sustainability to increase our palliative care. The Hospice is grateful to the community who have generously supported us financially. These range from goods donated to our shops, money put into our tins, business partnerships, trusts and foundations, regular donations, and the selfless time given by volunteers who help us, including those who organize their fundraising and those that support our events. Also, for the legacies, kindly left to us. All these contributions are appreciated and allow us to serve the community of North Northumberland.

There are future opportunities for collaborative working, which will be an integral part of our future progress to reach unmet needs. Some of these partners include Tynedale Hospice at Home, and The North East Hospice Collaborative, which consists of seven hospices in North East. Work is ongoing with The Northumberland Palliative and End of Life Care Strategy partners, including representatives from health and social care, the voluntary sector, patient representatives, and councillors from Northumberland County Council.

The coming year will see us focus on further consolidation and developing our culture to be responsive and dynamic by enhancing the palliative services we provide to the people of North Northumberland. I look forward to working with my colleagues on the Board of Trustees and the wider Hospice team.

I thank the board of trustees, the care team, all hospice staff, the volunteers, and all those that support the Hospice's work. We will now and in the future strive to provide the highest level of palliative care that has always been at the heart of HospiceCare North Northumberland.

Lucy Carroll, Chairman
October 2022

The North Northumberland Hospice

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2022.

Structure, governance and management

Nature of governing document

The North Northumberland Hospice operating as HospiceCare North Northumberland (The Hospice) is the local charity supporting people living with life limiting illnesses.

The Hospice is a charitable company limited by guarantee, company number 04925753, and is a registered charity, number 1103635 (England and Wales) incorporated on 8 October 2003. Following a rebranding in March 2008, the Hospice is known for trading purposes only as HospiceCare North Northumberland, but this does not affect either its charity or company registrations. The charitable company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up, members (the only class of which at present are current trustees and the company secretary) are required to contribute an amount not exceeding £10. The directors of the company are also charity trustees for the purpose of charity law.

Induction and training of trustees

New trustees are invited to meet with the Chairman and CEO, then a wider group of trustees prior to appointment, in order to gain an overall understanding of the day to day work of the Hospice. All trustees are provided with a comprehensive induction. An information folder has been produced and issued to all existing and new trustees, giving them information on their governance responsibilities as a Hospice trustee, background information on the Memorandum and Articles of Association, Financial Accounts, Business Plan and Contingency Plan. Governance training is provided by a leading charity law firm with comprehensive training on the legal duties and responsibilities of trustees.

The North Northumberland Hospice

Trustees' Report

Organisational structure

The Hospice has a Board of trustees which currently comprises seven members, with twelve being the maximum permitted under the Articles of Association. The trustees come from a variety of backgrounds, bringing an appropriate mix of clinical, professional and managerial skills and experience that enables them to contribute to the effective working of the Hospice. There are bi-monthly Board meetings to review the governance of the operations and strategy, which are also attended by the Chief Executive. Committee groups reporting to the Board have been established to deal with designated areas of trustee responsibility as follows:

- Clinical Governance Group - Bi-monthly, between Board meetings, to review clinical governance, clinical strategy and provide support for the senior team.
- Finance and Income Generation Committee – Bi-monthly, between Board meetings to review the financial performance of the organisation against financial budgets and forecasts, cash and reserves positions, fundraising strategy, staffing/HR issues, and all aspects of the administrative support functions.
- People and Support Services Committee - Bi-monthly, between Board meetings, to review Human Resources, Data, Health and Safety governance, people and marketing and communications strategy and provide support for the senior team.
- Trustee Annual Review Committee – Meeting annually, to consider and make recommendations to the Board regarding staff remuneration packages, updating terms of reference, reviewing skill matrix of the Board and delegated schedules.

The management team and Board of trustees work to appropriate Charity Commission and Companies House Codes of Conduct. Copies of Standing Order Financial Instructions have been issued to all members of the Board and a Policy folder is available to all relevant persons.

All trustees, staff, and volunteers are subject to Disclosure and Barring Service checks where appropriate, before taking up a post with the Hospice.

The Hospice is registered with the Care Quality Commission, Information Commissioner's Office, Fundraising Regulators and Gambling Licencing Authority.

The Hospice operates a policy of equal opportunities.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:
Lucy Carroll
Paul Atkinson
Simon Hulme
Lesley Ilderton (resigned 12 February 2022)
Janet Kelly
Jane Lothian (resigned 30 April 2022)
Sue Sherrard (appointed 22 March 2022)

The North Northumberland Hospice

Trustees' Report

Objectives and activities

Objects and aims

Founded in 1995, the Hospice provides palliative care to people who have life limiting illnesses. We address their physical, emotional, social and psychological needs, enhancing their quality of life while at the same time supporting their carers and families.

The Hospice objects are:
• The care and relief of persons suffering from a potentially life-limiting illness, the support of carers and the bereaved, all in such ways as the Trustees shall from time to time think fit, and primarily in North Northumberland.
• The provision in the interest of social welfare of recreational facilities for such persons.

The Hospice operates from two sites, Alnwick and Berwick-upon-Tweed, to accommodate the largely rural and sparsely populated area of North Northumberland. Patient choice and their individual needs determine where HospiceCare services are delivered, whether at home or in the Hospice building. The Hospice adopts a holistic approach to patients and families, offering services and interventions of care and support which are flexible and tailored to meeting their needs.

We are caring, we pursue excellence, we innovate, we collaborate, we communicate, and we adopt a can-do attitude. We are HospiceCare North Northumberland.

The trustees regularly review our objectives, aims and activities, looking at the number of people we reach, the type and extent of services we provide, and the benefits we bring to our patients and their families. Palliative care is a continually developing field, and we respond by expanding our services to achieve the best possible outcome in each patient's circumstances. We have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The North Northumberland Hospice

Trustees' Report

Achievements and performance

Review of activities and the public benefit.
By April 2021, the UK was beginning to emerge from the COVID-19 pandemic. However, with restrictions still in place, including the "Rule of six" or two households for indoor gathering, all our teams faced unprecedented challenges. These affected all our staff, particularly our frontline nursing team who had to use a range of PPE - collected each week from a central store in Durham - and provided remote telephone helpline services rather than in-house care.
We pride ourselves on being an innovative and flexible organisation, and we mobilised and responded at speed to the changing circumstances of our community as the year progressed. By July 2021, most COVID-19 restrictions were removed in England, and our face-to-face services began a recovery process.
All our services are free to everyone who accesses them, and are available thanks to the generosity of the communities we serve.

A New Strategy
Following a full consultation within the organisation, and with stakeholders the 2021 - 2024 strategy was approved by the trustees and adopted by the whole organisation. The trustees recognise the need to be flexible and to regularly consult and review the strategy.

Governance
During the year the trustees worked on an internal governance review, and engaged with a specialist to provide invaluable training to help improve their governance role to be able to deliver the strategic aims, objectives, and priorities.
The CEO and trustees have focused on strengthening the governance processes and systems, improving reporting and information to trustees, to support their assurance role.
In late 2021 the CEO and the board of trustees commissioned an external clinical review, which was completed in February 2022. In order to carry out the recommendations, which ensured continuous improvement of our Clinical services, we paused our Hospice at Home care for a short period to update practice, policies and procedures.
Tynedale Hospice at Home have provided support to assist with this vital work.

Our Impact

At the end of the financial reporting period, we provided the following operational services for the public benefit.

Hospice at Home Service
We deliver practical care and support in the home to adults aged 18 years and over who are nearing the end of their lives. A dedicated team of trained healthcare assistants provide this service, managed and coordinated by our registered nurses.
We adhered to current infection prevention guidelines and legislation regarding COVID-19, adapting our PPE policies and procedures to reflect this.
During the year, we delivered 12,500 hours of care and support, travelled 66,500 miles across North Northumberland and supported 99 people.

Nurse Services
The aim is for our nursing team to work with the Primary Care Network team of GPs, Community Nurses, Macmillan Nurses, and allied health professionals across North Northumberland to provide practical support with palliative and end of life illness. This involves our Hospice Registered Nurses:
- administering medication in response to symptom management
- offering advice and support to those suffering life-limiting illnesses and their carers
- assisting with Advance Care planning if desired.

The North Northumberland Hospice

Trustees' Report

Care and Support Groups.
Our two Wellbeing Centres at Greensfield House in Alnwick and Hazel Marsden House in Berwick provide the ideal bases for our support groups to meet. These sessions were interrupted during the COVID - 19 lockdowns, but we maintained regular contact with our beneficiaries virtually and by telephone and email.

Dementia Café Alnwick & Berwick Wellbeing Centres.
Our service supports people living with dementia and their carer. It allows social engagement, advice and support from our Dementia Support worker.
Services include Dementia Cafés, Walking Football, and client visits. The cafes are run regularly at our Wellbeing Centres in Alnwick and Berwick.
During the year, we delivered 260 hours of care and support with cafes, football, and client visits. We supported 35 clients.

Family/Bereavement Support Service

We provide a listening and support service for those suffering from bereavement or pre-bereavement. We offer support for those caring for loved ones with a life-limiting illness, and our trained volunteers understand the feelings of grief and loss associated with bereavement.

By July 2021, our face-to-face service work was reinstated.
Our volunteers continued their work throughout the pandemic, as they delivered telephone bereavement support when face-to-face appointments were not allowed.
During the year, we delivered 320 hours of bereavement support, involving 41 clients.

Our People

Volunteer awards
Our first award ceremony was held in October 2021, and was developed to show appreciation and recognition for those staff and volunteers who have provided long service to HCNN. Awards are given in increments of 5 years; however, volunteers also receive an award after 1 year of volunteering. This will be annual event.

Staff and volunteer training.
"Bluestream" is a training platform which was originally rolled out to all clinical staff members during the pandemic. We made the decision to adopt the platform for all staff, and volunteers, including trustees. This enables us to manage and monitor all the statutory training that our staff need to fulfil their roles.

Who supported us?

Our Staff
All of our staff showed unwavering hard work to ensure our services remained stable during the recovery process of the pandemic. Our unreserved thanks go to the team who have shown remarkable resilience, and have adapted quickly to change.

Our volunteers
We are fortunate to have approximately 170 enthusiastic and committed volunteers who contribute many hours of their time. They support the organisation with bereavement support, at wellbeing cafes, fundraising events, retail shops, administrative work, helping at events, drivers, and the Castleside Crafters. During the year, we managed to re-engage with our volunteers, and our sincere thanks go to all the people that give their skills and time.

The North Northumberland Hospice

Trustees' Report

Our donors
By July 2021, our fundraising team began planning our usual events for the year ahead, including the Open Gardens, Sponsored Golf days, Great North Run, and community events for 2022. The team initiated new ways to fundraise, including UK's online match funding Christmas Challenge campaign, which incentivized community groups to raise funds. Our retail shops began to trade again in 2021.

We need to raise over £800,000 annually to provide our current level of care in the community, and the NHS fund only 4% of this income. This fact is a challenge.

Summary of Trustee Review

The trustees recognise how well the entire staff and volunteer team responded to the changes in the government coronavirus measures during the year, whilst continuing to deliver HospiceCare's palliative care provision, fundraising and marketing activities to support our caring work.

Our Plans for The Future

1. **Reach unmet needs** - we will continue to explore where our support and care can make the most significant impact and continue to do more for our communities.

2. **Keeping our 'quality'** - Our key asset is the high quality of our services. The people whom we employ to support our community need to be well-trained and supported. As we grow and reach unmet needs, we will ensure we maintain the highest quality in all that we do.

3. **Being sustainable** - We recognise that within the growth, we must ensure the longevity of our services. Being mindful of our financial needs and diversifying our income streams is one way we will be sustainable in the future. Work has begun on implementing Gift Aid in all our retail shops, which will make a significant difference to our income.

To achieve our strategy, we have focussed on four fundamental changes which will enable us to achieve our three key aims moving forward.

1. **Governance** - The Board of Trustees will continue to recruit new trustees and ensure a wide skills base to support the delivery of the governance role. We are planning to implement an external governance review with an aim to continually improve the performance of the Board to fulfil the duties of trustees.

2. **A new Head of Income Generation post** - To remain financially sustainable within a growing organisation, we need to focus on a diverse income portfolio. We plan to appoint a Head of Income Generation to ensure that we can deliver this.

3. **"I Matter" and the Nurture Fund-** To deliver quality within our services, we recognise the importance of valuing our team members, staff, and volunteers. We will continue with the 'I Matter' which is an employee wellbeing programme, and the Nuture Fund to champion the needs of our workforce (training and resilience) to continue to provide 'quality' within all our services.

4. **Collaboration** - Working within rural North Northumberland, we recognise the need to ensure that our services dovetail seamlessly within the local healthcare environment. Working with Northeast Hospices Collaborative, and more closely with Tynedale Hospice at Home, the Primary Care Network and Northumbria Healthcare NHS Foundation Trust, we aim to ensure that our services reach those who need us at the right time and in the right way.

The North Northumberland Hospice

Trustees' Report

Financial review
After an uncertain start, we benefitted from charitable grants (donations from Trusts) totalling over £125,000 resulting in a surplus of £99,232 for the year. 2020/21 income included a successful business interruption insurance claim, which contributed to a surplus of £298,438 in 2020/21.

Total income for the year was £1,048,019. Income generated by retail sales and other trading of £292,363 was 162% higher than 2020/21, in main due to our retail units being open for much of the year.

Estimated legacies of over £250,000 were received and/or notified during the year. This is a variable but welcome income stream, in which we plan to invest more resource.

These results reflect the commitment and adaptability of our fundraising and retail teams, supported by our marketing and wider Hospice teams, together with our community and volunteers to boost the profile and reputation of the Hospice.
We have continued to benefit from a continued growth in business partnership working and the support of regular donors.

Grants from trusts and foundations were again an important source of income, as reported above, and is a wonderful result for the small dedicated team of volunteers who work exclusively on trust applications.

The NHS Trust contract value of £42,060 was a very minor increase on the previous contract.

Investment income is currently derived from bonds and savings accounts and at £3,222 is a 40% reduction on the previous year, due manly to the impact of the conflict in Ukraine.

As the country and the economy move on from the pandemic disruption, our income streams are reverting to a more normal pattern and we work continuously on the long-term sustainability of our funding sources, through increased regular giving, further development of partnerships with local businesses, and a longer-term project to stimulate legacies.

Total resources expended were £948,787 which was an increase of £157,288 on the previous year, due mainly to staff returning to work throughout the majority of the year.

Expenditure on charitable activities increased by £127,276 as a result of increased activities through the year and responding to the increased demands for care support.
The charity's total funds increased from £1,030,913 to £1,130,145 at 31 March 2022, of which £1,010,500 was unrestricted.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of six to nine months of operating expenditure, which would equate to holding approximately £500,000 to £750,000 in free reserves.

At the year end, free reserves were £770,468 (2021: £606,481), an increase of £163,987 in the year.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

The North Northumberland Hospice

Trustees' Report

Statement of Trustees' Responsibilities
The trustees (who are also the directors of The North Northumberland Hospice for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditor
Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 2/12/22 and signed on its behalf by:

L H M Carroll
Chairman and Trustee

E C Beauchamp
Trustee

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

Opinion

We have audited the financial statements of The North Northumberland Hospice (the 'charity') for the year ended 31 March 2022, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of The North Northumberland Hospice

Other information
The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

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

Matters on which we are required to report by exception
In the light of our knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 11), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the Members of The North Northumberland Hospice

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;

- Reviewing board minutes;

- Challenging assumptions and judgements made by management in their significant accounting estimates; and

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Care Quality Commission; Health and Safety; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of
Azets Audit Services
Chartered Accountants
Statutory Auditor

Bulman House
Regent Centre
Gosforth
Newcastle upon Tyne
NE3 3LS

Date: 5/12/22

Azets Audit Services is a trading name of Azets Audit Services Limited

The North Northumberland Hospice

Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
Income and Endowments from:					
Donations and legacies	3	569,507	75,910	645,417	613,610
Charitable activities	4	42,060	-	42,060	41,976
Other trading activities	5	291,005	1,258	292,263	111,682
Investment income	6	3,222	-	3,222	5,257
Other income	7	15,689	49,368	65,057	317,412
Total Income		921,483	126,536	1,048,019	1,089,937
Expenditure on:					
Raising funds	8	(346,622)	(1,258)	(347,880)	(317,868)
Charitable activities	9	(321,741)	(279,166)	(600,907)	(473,631)
Total Expenditure		(668,363)	(280,424)	(948,787)	(791,499)
Net income/(expenditure)		253,120	(153,888)	99,232	298,438
Transfers between funds		(101,155)	101,155	-	-
Net movement in funds		151,965	(52,733)	99,232	298,438
Reconciliation of funds					
Total funds brought forward		858,535	172,378	1,030,913	732,475
Total funds carried forward	21	1,010,500	119,645	1,130,145	1,030,913

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2021 is shown in note 21.

The North Northumberland Hospice

Comparative Statement of Financial Activities for the Year Ended 31 March 2021
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £
Income and Endowments from:				
Donations and legacies	3	535,081	78,529	613,610
Charitable activities	4	41,976	-	41,976
Other trading activities	5	110,179	1,503	111,682
Investment income	6	5,257	-	5,257
Other income	7	155,070	162,342	317,412
Total income		847,563	242,374	1,089,937
Expenditure on:				
Raising funds	8	(311,944)	(5,924)	(317,868)
Charitable activities	9	(212,090)	(261,541)	(473,631)
Total expenditure		(524,034)	(267,465)	(791,499)
Net income/(expenditure)		323,529	(25,091)	298,438
Transfers between funds		(82,628)	82,628	-
Net movement in funds		240,901	57,537	298,438
Reconciliation of funds				
Total funds brought forward		617,634	114,841	732,475
Total funds carried forward	21	858,535	172,378	1,030,913

The North Northumberland Hospice

(Registration number: 04925273)
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	16	201,638	220,748
Current assets			
Debtors	17	307,295	218,789
Cash at bank and in hand		682,981	653,208
		990,276	871,997
Creditors: Amounts falling due within one year	18	(61,769)	(61,832)
Net current assets		928,507	810,165
Net assets		1,130,145	1,030,913
Funds of the charity:			
Restricted		119,645	172,378
Unrestricted income funds			
Designated funds		115,163	112,180
Unrestricted funds		895,337	746,355
Total unrestricted funds		1,010,500	858,535
Total funds	21	1,130,145	1,030,913

The financial statements on pages 16 to 38 were approved by the trustees, and authorised for issue on ..24/11/22... and signed on their behalf by:

L H M Carroll
Chairman and Trustee

E C Beauchamp
Trustee

The North Northumberland Hospice

Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash income		99,232	298,438
Adjustments to cash flows from non-cash items			
Depreciation	8	17,127	15,918
Investment income	6	(3,222)	(5,257)
		113,137	309,099
Working capital adjustments			
Increase in debtors	17	(88,506)	(112,681)
Increase in creditors	18	3,482	9,627
(Decrease)/increase in deferred income		(3,545)	2,095
Net cash flows from operating activities		24,568	208,140
Cash flows from investing activities			
Interest receivable and similar income	6	3,222	5,257
Purchase of tangible fixed assets	16	-	(3,630)
Sale of tangible fixed assets		1,983	-
Net cash flows from investing activities		5,205	1,627
Net increase in cash and cash equivalents		29,773	209,767
Cash and cash equivalents at 1 April		653,208	443,441
Cash and cash equivalents at 31 March		682,981	653,208

All of the cash flows are derived from continuing operations during the above two periods.

The North Northumberland Hospice

Notes to the Financial Statements for the Year Ended 31 March 2022

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Unit 3 Willowburn Avenue, Alnwick, NE66 2DG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

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

The presentational currency of the charitable company is Sterling.

Going concern
The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates are judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

Depreciation is estimated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset. An estimate of the useful economic life is detailed in the depreciation accounting policy. During the year the total depreciation charge was £17,127.

Income and endowments
Income is recognised when the Hospice is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Turnover is the amount derived from the provision of goods/services, stated after trade discounts, other sales taxes and VAT.

Donations and legacies

Cash donations are recognised on receipt. Other donations are recognised once the Hospice has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Donated services and facilities

Goods donated for resale at the charity shops are not recognised in the financial statements of the chairty until sold.

Investment income

Investment income, where appropriate, is included when receivable.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs incurred in connection with fund raising events.

Other expenditure

Governance costs are those incurred in connection with the administration of the Hospice and compliance with constitutional and statutory requirements.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the assets's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

Government grants included within other operating income includes the UK Government assistance provided through Coronavirus Job Retention Scheme during the Covid-19 pandemic.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £2,500.00 or more are initially recorded at cost.

Notes to the Financial Statements for the Year Ended 31 March 2022

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Property	2% Straight Line
Fixtures, Fittings and Other Equipment	10% - 20% Straight Line
Motor Vehicles	20% Straight Line
Computer Equipment	50% Straight Line
Leasehold Improvements	Straight Line over 10 year lease term

Impairment of fixed assets
At each reporting end date, the Hospice reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Notes to the Financial Statements for the Year Ended 31 March 2022

Pensions and other post retirement obligations
All eligible employees are automatically enrolled into a workplace pension scheme. Some clinical staff are members of the NHS pension scheme. Contributions to the defined contribution plans are charged to the income and expenditure account as they become payable.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Donations and legacies;				
Community Fundraising	36,327	2,210	38,537	70,414
Legacies	265,446	-	265,446	88,517
Donations from Trusts	53,400	73,700	127,100	132,635
Sponsored events and donations	214,334	-	214,334	322,044
Total for 2022	569,507	75,910	645,417	613,610

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Donations and legacies;			
Donations from trusts	64,351	68,284	132,635
Community fundraising	68,969	1,445	70,414
Legacies	88,517	-	88,517
Sponsored events and donations	313,244	8,800	322,044
	535,081	78,529	613,610

4 Income from charitable activities

	2022 £	2021 £
NHS Trust contract	42,060	41,976
	42,060	41,976

In 2022 and 2021 all of the income is unrestricted.

5 Income from other trading activities

	2022 £	2021 £
Fundraising events	46,417	41,759
Shop income	242,145	66,150
Lottery income	3,701	3,773
	292,263	111,682

In 2022, the income from trading activities is allocated between unrestricted funds of £291,005 and restricted funds of £1,258 relating to fundraising events.

In 2021, income from trading activities is allocated between unrestricted funds of £110,179 and restricted funds of £1,503 relating to fundraising events.

6 Investment income

	Unrestricted funds General £	Restricted funds £	Total 2022 £	Total 2021 £
Interest receivable and similar income;				
Interest receivable on bank deposits	3,222	-	3,222	5,257
Total for 2021	5,257	-	5,257	

7 Other income

£49,368 (2021: £162,342) received from Hospice UK is restricted with the remaining £15,689 (2021: £155,070) being for unrestricted purposes.

	2022 £	2021 £
CJRS	1,942	37,644
Hospice UK grant	49,781	162,342
Insurance Claims	-	55,901
Retail Grants	13,334	59,008
Other income	-	2,517
	65,057	317,412

Notes to the Financial Statements for the Year Ended 31 March 2022

8 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Staff costs	34,550	34,550	44,512
Marketing and publicity	3,890	3,890	567
Other direct costs of generating voluntary income	17,729	17,729	29,514
	56,169	56,169	74,593

b) Costs of trading activities

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Staff costs	105,854	105,854	102,079
Depreciation, amortisation and other similar costs	119,122	119,122	63,989
Other direct costs of activities for generating funds	66,735	66,735	77,207
	291,711	291,711	243,275

Notes to the Financial Statements for the Year Ended 31 March 2022

9 Expenditure on charitable activities

	Note	Unrestricted General £	Restricted £	Total 2022 £	Total 2021 £
Clinical services and support costs	10	321,741	279,166	600,907	473,631

	Activity undertaken directly £	Activity support costs £	2022 £	2021 £
Clinical Services	352,345	236,117	588,462	465,813
Governance costs	-	12,445	12,445	7,818
	352,345	248,562	600,907	473,631

Notes to the Financial Statements for the Year Ended 31 March 2022

10 Analysis of governance and support costs

Support and Governance costs

	Governance costs £	Support costs £	Total 2022 £
Administration costs	-	216,864	216,864
Marketing costs	-	19,253	19,253
Audit fee	5,250	-	5,250
Legal and professional fees	4,974	-	4,974
Trustee costs	2,221	-	2,221
	12,445	236,117	248,562

	Governance costs £	Support costs £	Total 2021 £
Administration costs	-	231,692	231,692
Property costs	-	10,625	10,625
Marketing costs	-	15,529	15,529
Audit fee	5,250	-	5,250
Legal and professional fees	7,984	-	7,984
Trustee costs	84	-	84
	13,318	257,846	271,164

11 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022 £	2021 £
Audit fees	5,250	5,250
Depreciation of fixed assets	17,127	16,310

12 Trustees remuneration and expenses

Two trustees received reimbursed expenses from the charity during the year totalling £239 (2021: no trustees received reimbursed expenses).

13 Staff costs

The aggregate payroll costs were as follows:

	2022 £	2021 £
Staff costs during the year were:		
Wages and salaries	601,752	475,887
Social security costs	39,745	28,650
Pension costs	40,774	35,326
	682,271	539,863

The above staff costs include non payroll staff costs.

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2022 No	2021 No
Chief Executive Officer	1	1
Nurse manager	1	1
Nurses	9	4
Health care assistants	15	17
Administrative managers	3	2
Administrative staff	3	5
Domestic staff	2	2
Income generation and marketing	3	3
Retail manager	1	1
Retail staff	8	10
	46	46

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £164,975 (2021 - £109,591).

14 Auditors' remuneration

	2022 £	2021 £
Audit of the financial statements	5,250	5,250

15 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

16 Tangible fixed assets

	Freehold Property £	Fixtures, fittings and office equipment £	Motor vehicles £	Computer equipment £	Leasehold improvements £	Total £
Cost						
At 1 April 2021	125,936	55,470	8,300	3,978	255,226	448,910
Disposals	-	(8,021)	-	-	-	(8,021)
Transfers	229,058	-	-	-	(229,058)	-
At 31 March 2022	354,994	47,449	8,300	3,978	26,168	440,889
Depreciation						
At 1 April 2021	(52,762)	36,653	5,840	3,978	234,453	228,162
Charge for the year	5,956	4,277	1,660	-	5,234	17,127
Eliminated on disposals	-	(6,038)	-	-	-	(6,038)
Transfers	229,058	-	-	-	(229,058)	-
At 31 March 2022	182,252	34,892	7,500	3,978	10,629	239,251
Net book value						
At 31 March 2022	172,742	12,557	800	-	15,539	201,638
At 31 March 2021	178,698	18,817	2,460	-	20,773	220,748

17 Debtors

	2022 £	2021 £
Trade debtors	5,315	25,418
Prepayments	23,883	20,487
Accrued income	253,741	172,627
VAT recoverable	24,356	257
	307,295	218,789

Notes to the Financial Statements for the Year Ended 31 March 2022

18 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	16,911	8,798
Other creditors	16,788	15,831
Accruals	15,176	20,764
Deferred income	12,894	16,439
	61,769	61,832

	2022 £	2021 £
Deferred income at 1 April 2021	16,439	14,344
Resources deferred in the period	12,894	16,439
Amounts released from previous periods	(16,439)	(14,344)
Deferred income at year end	12,894	16,439

19 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
Land and buildings		
Within one year	28,500	28,500
Between one and five years	76,500	84,833
After five years	23,500	42,000
	128,500	155,333

Notes to the Financial Statements for the Year Ended 31 March 2022

20 Pension and other schemes

The Hospice operates two pension schemes.

Staff who are current or recent members of the NHS Pension Scheme (a multi-emploer scheme), but are not yet drawing down its benefits, continue membership in their Hospice employment, and the Hospice pays the employer's contribution of 14.3%. This is a defined benefit scheme, but for these accounts it is treated as a defined contribution scheme as the hospice is not liable for any underfunding.

There is a "Direction" from the Department of Health which enables operation of the NHS Pension Scheme for staff who are contributing members in another employment or have been up to 12 months before joining the Hospice. Under this there is an obligation to ask new staff whether they qualify, and offer them continued membership if they do. They can decline in writing, and bank staff often do. New enrolments cannot be made into the scheme. For qualifying staff who decline to contribute in this employment, auto-enrolment rules for the People's Pension are followed.

The NHS Pension employer contribution rose from 14.3% to 20.6% in April 2019, however the government agreed to fund the increase centrally for the first 2 years, and has continued this for the present year in the face of the pandemic. There is also an admin fee of .08%. When the subsidy is removed, it will add iro £6K to staff costs.

All other staff are auto-enrolled in or offered membership of the (defined contribution) People's Pension, and the Hospice makes a contribution of 5%.

As at 31 March the Hospice's liabilities were:

	2022 £	2021 £
NHS Pension Employee Contributions	999	1,211
NHS Pension Employer Contributions	1,966	2,283
	2,965	3,494

	2022 £	2021 £
People's Pension Employee Contributions	868	840
People's Pension Employer Contributions	1,327	1,274
	2,195	2,114

Notes to the Financial Statements for the Year Ended 31 March 2022

21 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Unrestricted funds					
General					
Unrestricted Fund	746,355	921,483	(668,363)	(104,138)	895,337
Designated					
Budget deficit	112,180	-	-	2,983	115,163
Total unrestricted funds	858,535	921,483	(668,363)	(101,155)	1,010,500
Restricted funds					
Alnwick Youth Hostel	860	-	(860)	-	-
Berwick Equipment Fund	597	-	-	(399)	198
Building Fund Donations	10,175	-	(318)	-	9,857
Dementia Walking Football	4,684	-	(918)	-	3,766
Department of Health	22,298	-	(715)	-	21,583
Dementia Therapy Sessions	2,350	-	-	-	2,350
Northern Rock Foundation	17,968	-	(1,287)	-	16,681
Admiral Nurse - Henfrey Trust	8,640	-	-	-	8,640
Sir James Knott Trust Fund	6,553	-	(205)	-	6,348
Wolfson Foundation	23,020	-	(720)	-	22,300
Hospice at Home	36,763	44,671	(175,636)	101,388	7,186
Ambling Angelas Fund	568	-	-	-	568
Berwick Garden Fund	33	-	-	-	33
Dementia Project	8,101	733	(4,868)	-	3,966
Develop & Promote Berwick Services - Lough fund	3,404	10,000	(4,815)	-	8,589
Berwick Hospice Services	100	1,000	-	-	1,100
Co-op Wellbeing	1,445	-	-	-	1,445
Headsets	35	-	-	-	35
CF - RWE Renewables Middlemoor Wind Farm Community	24,784	-	(24,784)	-	-
Hospice at Home-Government Covid Grants	-	49,368	(49,368)	-	-
Willan travel costs	-	10,000	(10,000)	-	-
Winham- Elderly	-	5,000	-	-	5,000

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2022 £
Barbour ALN garden furniture	-	764	(930)	166	-
Community Foundation Clinical Travel Grant	-	5,000	(5,000)	-	-
Total restricted funds	172,378	126,536	(280,424)	101,155	119,645
Total funds	1,030,913	1,048,019	(948,787)	-	1,130,145

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted funds					
General					
Unrestricted Fund	617,634	847,563	(524,034)	(194,808)	746,355
Designated					
Budget deficit	-	-	-	112,180	112,180
Total unrestricted funds	617,634	847,563	(524,034)	(82,628)	858,535
Restricted					
Alnwick Youth Hostel	1,720	-	(860)	-	860
Berwick Equipment Fund	597	-	-	-	597
Building Fund Donations	10,493	-	(318)	-	10,175
Dementia Walking Football	4,684	-	-	-	4,684
Department of Health	23,013	-	(715)	-	22,298
Dementia Therapy Sessions	2,350	-	-	-	2,350
Northern Rock Foundation	19,255	-	(1,287)	-	17,968
Admiral Nurse - Henfrey Trust	8,640	-	-	-	8,640
Sir James Knott Trust Fund	6,758	-	(205)	-	6,553
Wolfson Foundation	23,740	-	(720)	-	23,020
Hospice at Home	-	182,730	(228,595)	82,628	36,763
Ambling Angelas Fund	568	-	-	-	568
Berwick Garden Fund	33	-	-	-	33
Alnwick Youth Hostel Revenue	318	-	(318)	-	-
Dementia Project	8,101	-	-	-	8,101
Develop & Promote Berwick Services - Lough fund	4,569	10,000	(11,165)	-	3,404

Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Berwick Hospice Services	2	4,415	(4,317)	-	100
CF Covid-19 Response	-	10,000	(10,000)	-	-
Co-op Wellbeing	-	1,445	-	-	1,445
Headsets	-	500	(465)	-	35
N Est Strategy	-	5,500	(5,500)	-	-
Souter Travel	-	3,000	(3,000)	-	-
CF - RWE Renewables Middlemoor Wind Farm Community	-	24,784	-	-	24,784
Total restricted funds	114,841	242,374	(267,465)	82,628	172,378
Total funds	732,475	1,089,937	(791,499)	-	1,030,913

The specific purposes for which the funds are to be applied are as follows:

Alnwick Youth Hostel
Donation to purchase and run a van for use of fundraisers and charity shop.

Berwick Equipment Fund
Donation for equipment at Hazel Marsden House.

Building fund donations
This represents monies received towards the costs of adapting the premises at Berwick.

Dementia Walking Football
Provision of "walking football" facilities and coaching as therapeutic activity for Dementia patients: PF Charitable Trust, Persula Foundation, Rotary Club of Alnwick, The Sir James Knott Trust and an anonymous donation.

Department of Health
Monies received for the construction of a Mezzanine floor in the Berwick Hospice building.

Dementia Therapy Sessions - Fund: HospiceAid UK, Seahouses Rotary Club

Northern Rock Foundation
Grant towards capital costs of adapting Berwick premises to accommodate charity shop and improve clinical area.

Admiral Nurse - Henfrey Trust
Donations to fund work with dementia patients.

Sir James Knott Trust Fund
This represents monies received from the James Knott Trust Fund for the purpose of providing premises for the Hospice.

Wolfson Foundation
Monies received from the Wolfson Foundation for the purpose of providing premises at Berwick.

Ambling Angelas Fund
Monies raised towards refurbishment of Premises.

Berwick Garden Fund
Donation for garden maintenance.

Alnwick Youth Hostel Revenue
Monies set aside for running costs of shop/fundraising van.

Dementia Project
Fund for generaLsupport of Dementia Patients and their families. Added to by: the Inner Wheel Club of Alnwick, Ellingham Village Hall fund, The Community Treatment Team and a number of private donations.

Lough Fund for Berwick
Provision and promotion of hospice services within a 10 mile radius of Berwick Town Hall: The FB and PFB Lough Fund (Community Foundation)

Berwick Services
Provision of hospice services in the Berwick Area. Added to by: The Inner Wheel Club of Berwick, the Rotary Club of Berwick, Ancroft Parish Council, The Northern Angel Fund (Community Foundation)

Hospice at Home
The contributions to the Hospice at Home Fund this year were as follows: The Hospital of God at Greatham, The Hadrian Trust, The J H Burn Charitable Trust, The David & Ruth Lewis Family Charitable Trust, The Barbour Foundation, The JGW Patterson Foundation, The Inlight Trust, The Butler Ember Charity, The Elise Pilkington Charitable Trust, The Ardwick Trust, The Catherine Cookson Charitable Trust, The R W Mann Trust, The Albert Hunt Trust, The Business 250 Club and 3 individual donors.

CF Covid-19 Response
Grant from the Community Foundation to enable the charity to respond to the challenges of the pandemic.

Co-op Wellbeing Fund
Grant from the Co-operative Community Fund towards our wellbeing services

Headsets
Grant from Tesco Bags of Help Covid Community Fund to provide headsets to staff enabling Hands Free use of phones

Northumberland Estates Strategy
Grant from the Northumberland Estates Community Fund to buy in strategy support for trustees

Souter Travel
Grant from Souter Charitable Trust to cover costs of travel to deliver Hospice Care in patients' homes.

CF - RWE Renewables Middlemoor Wind Farm Community
Grant from the Middlemoor Windfarm Community Fund to replace outdated IT equipment

Willian travel costs
Grant to fund travel expenses of clinical staff visiting patients in rural North Northumberland

Winham- elderly
Fund to be used for the wellbeing of elderly patients, but not staffing costs

Barbour ALN garden furniture
Grant to purchase garden furniture for use of patients and staff at Greensfield House, Alnwick

Community Foundation clinical travel grant
Grant to fund travel expenses of clinical staff visiting patients in rural North Northumberland

Notes to the Financial Statements for the Year Ended 31 March 2022

22 Analysis of net assets between funds

	Unrestricted			
	General	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	124,869	-	76,769	201,638
Net current assets/(liabilities)	770,468	115,163	42,876	928,507
Total net assets	895,337	115,163	119,645	1,130,145

	Unrestricted			
	General	Designated	Restricted	Total funds at 31 March 2021
	£	£	£	£
Tangible fixed assets	139,874	-	80,874	220,748
Net current assets/(liabilities)	606,481	112,180	91,504	810,165
Total net assets	746,355	112,180	172,378	1,030,913

23 Analysis of net funds

	At 1 April 2021	Financing cash flows	At 31 March 2022
	£	£	£
Cash at bank and in hand	653,208	29,773	682,981
Net funds	653,208	29,773	682,981

	At 1 April 2020	Financing cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	443,441	209,767	653,208
Net funds	443,441	209,767	653,208

24 Related party transactions

During the year the charity made the following related party transactions:

Trustees and their partners and businesses
The Hospice received £3,335 (2021: £7,787) in donations, fund raising events and ticket purchases from Trustees.
At the balance sheet date the amount due to/from Trustees and their partners and businesses was £Nil (2021 - £Nil).

Senior Managers and their partners
The Hospice received £581 (2021: £2,756) in donations and fund raising events from senior managers.
At the balance sheet date the amount due to/from Senior Managers and their partners was £Nil (2021 - £Nil).

THE NORTH NORTHUMBERLAND HOSPICE

England & Wales - Charity number 1103635

Accounts

Company registration number: 04925273

Charity registration number: 1103635

THE NORTH NORTHUMBERLAND HOSPICE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

The North Northumberland Hospice

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The North Northumberland Hospice

Reference and Administrative Details

Patron	The Lady Joicey
Chair	L H M Carroll
Trustees	P W Atkinson (appointed 27 April 2021) L H M Carroll S Hulme L A Ilderton (appointed 27 April 2021) J Kelly (appointed 27 April 2021) J L E Lothian A M McKenna (resigned 13 July 2020) J A Reid (resigned 26 February 2021) R Rushton (resigned 24 August 2020) J A Rutherford (resigned 27 July 2021)
Key Management Personnel	B Stimpson, Finance Manager N Burnett, Clinical Lead & Registered Manager P J King, CEO (resigned 2 June 2020) K Burton, People Manager
Principal Office	Greensfield House Unit 3 Greensfield Industrial Estate Alnwick NE66 2DG The charity is incorporated in England and Wales.
Company Registration Number	04925273
Charity Registration Number	1103635
Solicitors	Womble Bond Dickinson St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX
Bankers	HSBC Grey Street 110 Grey Street Newcastle upon Tyne NE1 6JG
Auditor	MHA Tait Walker Bulman House Regent Centre Gosforth Newcastle Upon Tyne NE3 3LS

The North Northumberland Hospice

Chairperson's Report 2020-2021

Welcome to our Annual Report for the year ending March 2021, in which we will all remember the turbulence caused by the COVID-19 pandemic. This report highlights the activities for the year, and we are indebted to all the staff and volunteers for their resilience and flexibility in responding to the rapid and unknown changes we had to make to our services.

My thanks to our Board of Trustees for their guidance and support during this challenging period. We learned much through the pandemic, and we are emerging as a more vital and more resilient organisation, with care at its core.

Emily Dobson, our Interim Chief Executive Officer, and the Senior Team gave excellent leadership in directing HospiceCare through the unsettled period, which enabled our Hospice-at-Home, dementia, bereavement, and caring services to continue and expand for the future. We all learned new skills in communicating virtually as a team and with our beneficiaries.

In May 2020, we were all delighted the agreement began between North Northumberland's NHS Primary Care Network Team, Well UP North, and HospiceCare. Our Nursing team collaborates closely with the 9 GP surgeries and the HospiceCare's Nurses and Nursing Assistants. The collaboration has provided joined-up care and ensures the national drive to make the best use of our resources during the COVID-19 crisis.

The North Northumberland Hospice has had a positive financial year. We recognise all the people in the community who have generously supported us financially. These range from goods donated to our shops, money put into our tins, business partnerships, trusts and foundations, regular donations, the selfless time given by volunteers who help us in so many ways, including those who organise their fundraising and those that support our events. Also, for the legacies kindly left to us. All these contributions are appreciated by the Trustees and allow us to serve the community of North Northumberland.

We are all aware that the future of the COVID-19 pandemic and other infectious threats looks unpredictable. HospiceCare Northumberland aims to make sure we remain accessible to our community, with a flexible service always maintaining our stated core mission and values. Our new 3-year strategy will provide the foundation for us to move forward in the next chapter confidently.

Lucy Carroll
December 2021

The North Northumberland Hospice

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

Structure, governance and management

Nature of governing document

The North Northumberland Hospice operating as HospiceCare North Northumberland (The Hospice) is the local charity supporting people living with life limiting illnesses.

The Hospice is a charitable company limited by guarantee, company number 04925753, and is a registered charity, number 1103635 (England and Wales) incorporated on 8 October 2003. Following a rebranding in March 2008, the Hospice is known for trading purposes only as HospiceCare North Northumberland, but this does not affect either its charity or company registrations. The charitable company was established under a Memorandum of Association, which established the objectives and powers of the charitable company and is governed under its Articles of Association. In the event of the charitable company being wound up, members (the only class of which at present are current trustees and the company secretary) are required to contribute an amount not exceeding £10. The directors of the company are also charity trustees for the purpose of charity law.

Induction and training of trustees

New trustees are invited to meet with the Chairperson and then a wider group of trustees prior to appointment, in order to gain an overall understanding of the day to day work of the Hospice. All trustees are provided with a comprehensive induction. An information folder has been produced and issued to all existing and new trustees, giving them information on their governance responsibilities as a Hospice trustee, background information on the Memorandum and Articles of Association, Financial Accounts, Business Plan and Contingency Plan.

The North Northumberland Hospice

Trustees' Report

Organisational structure

The Hospice has a Board of trustees which currently comprises six members, with twelve being the maximum permitted under the Articles of Association. The trustees come from a variety of backgrounds, bringing an appropriate mix of clinical, professional and managerial skills and experience that enables them to contribute to the effective working of the Hospice. There are bi-monthly Board meetings to review the governance of the operations and strategy, which are also attended by the Chief Executive. Committee groups reporting to the Board have been established to deal with designated areas of trustee responsibility as follows:

• Clinical Governance Group - Bi-monthly, between Board meetings, to review clinical governance, clinical strategy and provide support for the senior team.
• Finance and Income Generation Committee – Bi-monthly, between Board meetings to review the financial performance of the organisation against financial budgets and forecasts, cash and reserves positions, fundraising strategy, staffing/HR issues, and all aspects of the administrative support functions.
• People and Support Services Committee - Bi-monthly, between Board meetings, to review Human Resources, Data, Health and Safety governance, people and marketing and communications strategy and provide support for the senior team.
• Trustee Annual Review Committee – Meeting annually, to consider and make recommendations to the Board regarding staff remuneration packages, updating terms of reference, reviewing skill matrix of the Board and delegated schedules.

The management team and Board of trustees work to appropriate Charity Commission and Companies House Codes of Conduct. Copies of Standing Order Financial Instructions have been issued to all members of the Board and a Policy folder is available to all relevant persons.

All trustees, staff, and volunteers are subject to Disclosure and Barring Service checks where appropriate, before taking up a post with the Hospice.

The Hospice is registered with the Care Quality Commission, Information Commissioner’s Office, Fundraising Regulators and Gambling Licencing Authority.

The Hospice operates a policy of equal opportunities.

The trustees, who are also the directors for the purpose of company law, and who served during the year were:
Lucy Carroll Appointed Chair 19/11/19
Paul Atkinson
Lucy Carroll
Simon Hulme
Lesley Ilderton
Janet Kelly
Jane Lothian
Alison McKenna
Jennifer Reid
Robert Rushton
John Rutherford

The North Northumberland Hospice

Trustees' Report

Objectives and activities

Objects and aims

Founded in 1995, the Hospice provides palliative care to people who have life limiting illnesses. We address their physical, emotional, social and psychological needs, enhancing their quality of life while at the same time supporting their carers and families.

The Hospice objects are:
• The care and relief of persons suffering from a potentially life-limiting illness, the support of carers and the bereaved, all in such ways as the Trustees shall from time to time think fit, and primarily in North Northumberland.
• The provision in the interest of social welfare of recreational facilities for such persons.

The Hospice operates from two sites, Alnwick and Berwick-upon-Tweed, to accommodate the largely rural and sparsely populated area of North Northumberland. Patient choice and their individual needs determine where HospiceCare services are delivered, whether at home or in the Hospice building. The Hospice adopts a holistic approach to patients and families, offering services and interventions of care and support which are flexible and tailored to meeting their needs.

We are caring, we pursue excellence, we innovate, we collaborate, we communicate, and we adopt a can-do attitude. We are HospiceCare North Northumberland.

The trustees regularly review our objectives, aims and activities, looking at the number of people we reach, the type and extent of services we provide, and the benefits we bring to our patients and their families. Palliative care is a continually developing field, and we respond by expanding our services to achieve the best possible outcome in each patient's circumstances. We have considered the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aims.

Fundraising disclosures

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

Public benefit

The trustees confirm that they have complied with the requirements of section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charity Commission for England and Wales.

The North Northumberland Hospice

Trustees' Report

Achievements and performance
HospiceCare North Northumberland is an organisation that provides end-of-life palliative care and support services for people who have a terminal diagnosis. All our vital services are free of charge for all those who access them.

COVID-19 required immediate and decisive changes to how we operated. The Board of Trustees appointed an Interim Chief Executive who provided leadership for the organisation. We focused our attention and met the challenges COVID-19 gave us by successfully pivoting some of our services. Through the pandemic, we provided palliative care and support to our patients and their loved ones.

We drafted our 2021-2024 HospiceCare strategy and consulted on this with local stakeholders during the year.

At the end of the financial reporting period, we provided the following operational services for the public benefit.

•**Hospice at Home Service.** We deliver practical care and support in the home to adults aged 18 years and over who are nearing the end of their lives. A dedicated team of trained healthcare assistants provides this service, which is managed and co-ordinated by our registered nurses. Our Hospice at Home team delivers care, day or night, 365 days a year, in a person's usual place of residence. We adhered to current infection prevention and policies legislation regarding Covid 19 and adapted our PPE policies and procedures to reflect this.

•**Nurse Services.** In May 2020, HospiceCare joined in a formal partnership with The Primary Care Network (PCN) for North Northumberland, incorporating the twelve GP practices covering a geographical area ranging from Berwick-Upon-Tweed to Morpeth. The aim is for our clinical team to work with the GP's, Community nurses, Macmillan nurses, and allied health professionals across North Northumberland to provide practical support with disease and symptoms. Our role involves our Hospice registered nurses administering medication in response to symptom management, offering advice and support to those suffering life-limiting illnesses and their carer’s and loved ones who care for them at home. Our nurses can assist and support with Advance Care planning if that person wishes to do so.

•**Care and Support Groups.**
The Wellbeing Centres at Greensfield House in Alnwick and Hazel Marsden House in Berwick provide the ideal bases for the groups to meet. These sessions were interrupted during the lockdowns, but we maintained contact with our beneficiaries virtually and by telephone and email.

•**Dementia Café Alnwick & Berwick Wellbeing Centres.**
Our Dementia Cafés are run regularly at our wellbeing centres in Alnwick and Berwick, they were severely interrupted during the lockdowns. We maintained regular contact with our beneficiaries during the suspension of services. We began the process of reinstating this service for the beginning of the next financial year when social restrictions were due to ease. Dementia cafes resumed offer support to a person living with dementia and their carer, it is an opportunity to allow social engagement and advice and support from our Dementia Support worker.

•**Family/Bereavement Support Service**
We provide a listening and support service for those suffering from bereavement or pre-bereavement. We offer support for those caring for loved ones with a life-limiting illness, and our trained volunteers understand the feelings of grief and loss associated with bereavement. The face-to-face service was interrupted and replaced temporarily by virtual support.

The North Northumberland Hospice

Trustees' Report

Who supported us?

Our staff
All the staff showed unwavering loyalty to ensure the people that we care for were seen safely at this challenging time. Our unreserved thanks go to the team.

Our volunteers
We are very fortunate to have 200 enthusiastic volunteers who outweigh the staffing team 4 to 1. They contribute many hours of their time and support the organisation with bereavement support, wellbeing cafes, fundraising events, retail shops, administrative work, helping at events, drivers, and the Castleside Crafters. Throughout the pandemic, we remained in contact, despite not being able to engage normally. Our sincere thanks go to all the people that give their time.

Our donors
We felt humbled by the intensified support from our community, friends, many stakeholders, and our donors who rallied around to support us throughout the pandemic.

Our usual Fundraising events, including the Open Gardens, Great North Run, were not possible, which meant the Fundraising team needed to think of other ways to fundraise. One fantastic example of this was the online auction, which raised £45,694. An appeal in April 2020 received donations of over £58,000. These donations enabled the care during the pandemic and provided a platform from which we could grow back sustainably as we prepare for the future. We need to raise over £800,000 per year to provide our current level of care in the community, and the NHS fund only 4% of this income.

The North Northumberland Hospice

Trustees' Report

Summary of Trustee Review

The trustees recognise how well the team responded to the challenges of COVID-19, which disrupted all our lives. HospiceCare's palliative care continued, as did our fundraising and marketing to support our caring work. The trustees wish to record that HospiceCare's operational performance is a testament to a solid senior team and staff who adapted brilliantly.

We drafted our 2021-2024 HospiceCare strategy and consulted with many local stakeholders during the year. We continued to analyse the needs of our population, ready for the move on from Covid restrictions.

Our Plans for The Future

We have reviewed what the implications for the future would be and took the opportunity to explore what the impact would be on our 2021-2024 strategy.

1.**Reach unmet need** - we want to continue to explore where our support and care can make the most significant impact and continue to do more for our communities.
2.**Keeping our 'quality'** - We know that our key asset is our quality. The people whom we send out to support our community are well trained and supported. As we grow and reach unmet needs, we want to ensure that we do not lose our quality along the way.
3.**Being sustainable** - We recognise that within the growth, we must ensure the longevity of our services. Being mindful of our financial needs and diversifying our income streams is one way we will be sustainable in the future.

To achieve our strategy, we have focussed on five fundamental changes which we believe will enable us to achieve our three key aims moving forward.

1)**Governance** - The Board of trustees has three new trustees who bring a wealth of skills from nursing, finance, and business and strategy. The Board has an ongoing commitment to improving and reviewing our governance policies and procedures, making these fit a growing organisation.
2)**Our Chief Executive Officer** -. The Board of Trustees recognised the need for a full-time Chief Executive to implement our strategy and work with key local stakeholders to embed services across our community.
3)**A new Income Generation Manager post** - To remain financially sustainable within a growing organisation, we need to focus on a diverse income portfolio. We plan to appoint an Income Generation Manager to ensure that we can deliver this.
4)**I Matter** - To deliver on quality within our services, we have to recognise the importance of valuing our team members, staff, and volunteers. We are launching an 'I Matter' Workplan to champion the needs of our workforce (training and resilience) to continue to provide 'quality' within all our services.
5)**Collaboration** - Working within North Northumberland, we recognise the need to ensure that our services dovetail seamlessly within the local healthcare environment. Working with the Primary Care Network and Northumbria Healthcare NHS Foundation Trust, alongside other local providers, will ensure that our services reach those who need us, at the right time, in the right way. We also are an active member of the Northeast Hospices Collaborative.

The North Northumberland Hospice

Trustees' Report

Financial review

After an uncertain start, we benefitted from a number of government and charitable grants and a successful business interruption insurance claim, resulting in a surplus of £298,438 for the year compared to £19,668 in 2019/20.

Total income, at £1,089,937 was about 33% higher than in 2019/20. Income generated by community fundraising, donations, and sponsored events of £525,093 was up considerably and 40% higher than 2019/20.

Legacies of £88,517 were received or notified in the year, almost double the previous year. This is a variable but welcome income stream, in which we plan to invest more resource.

Trading activities were impacted by the lockdown closures only yielding £111,682, which was 69% lower than 2019/20.

These results reflect the commitment and adaptability of our fundraising team, supported by our marketing and wider Hospice teams, together with our community and volunteers to boost the profile and reputation of the Hospice. Despite the majority of the staff working from home over significant periods of the year and the hugely restricted access to volunteering support. We have continued to benefit from a continued growth in business partnership working and the support of regular donors.

Grants from trusts and foundations were again an important source of income and reached £132,635 for the year. This was £57,329 higher than the previous year. Of the total, £68,284 was restricted funding. It is another satisfactory result for the small dedicated team of volunteers who work exclusively on trust applications and who were unable to be supported face to face in the office for much of the year.

The NHS Trust contract value of £41,976 was higher than the previous year by £1,024, charitable income in that year having also included £20,197 in one-off patient care improvement payments and funding from Dementia UK and personal health budgets. This year, however, we benefitted from £162,342 in government Covid capacity grants, administered by Hospice UK, £37,644 from the CJRS Scheme, £59,008 in local government grants to support closed retail businesses, and were successful in a claim for Business Interruption from our insurers amounting to £55,901. All these are shown as “Other Income” in the SoFA.

Investment income is currently derived simply from bonds and savings accounts, and at £5,257 was marginally less than the previous year.

As the country and the economy move on from the pandemic disruption, our income streams are reverting to a more normal pattern and we work continuously on our long term sustainability of our funding sources, through increased regular giving, further development of partnerships with local businesses, and a longer-term project to stimulate legacies.

Total resources expended were £791,499 which was similar to the previous year as we adapted our services to need. Expenditure on charitable activities increased by £52,326 as a result of increased activities through the year and responding to the need for more Hospice@ Home.

The charity’s total funds increased from £ 732,477 to £ 1,030,913 at 31 March 2021, of which £858,535 was unrestricted.

Policy on reserves

The calculation of free reserves is based on the definition included in the charity statement of recommended practice (SORP), which provides recommendations for accounting and reporting for charities. The trustees have examined the requirements of the charity to hold free reserves - those reserves not invested in tangible fixed assets, excluding long term liabilities, or designated for a particular purpose. The Trustees considered it would be appropriate to hold the equivalent of six to nine months of operating expenditure, which would equate to holding approximately £400,000 to £600,000 in free reserves.

At the year end, free reserves were £606,481 (2020: £469,577), an increase of £136,904 in the year.

Early in 2020, as the pandemic took hold and income looked uncertain due to cancelled fundraising events and retail shop closures, the Trustees decided to pare back on previously planned expenditure, and set a very tight budget. This included a decision not to replace the Admiral Nurse or move ahead with recruiting to the new post of Income Generation Manager.

In view of the year end position, Trustees agreed to designate £112,180 of the surplus to fund a deficit budget for 2021-22, investing in new posts to improve the sustainability of the organisation.

Key Management Personnel

The board, who give their time freely and no trustees received remuneration in the year, have considered who the Key Management Personnel (KMP) of the charity, as noted in the Reference and Administration section. Together with the board, these KMP are those in charge of directing and controlling, running and operating the activities of the charity on a day to day basis. The pay of the KMP is reviewed annually and normally increased in accordance with average earnings. The trustees benchmark against pay levels of other charities and similar organisations within the sector and the region. Pay levels are set using this information together with the budget and forecast information, ensuring that the charity can afford any proposed increases. The board then agree any uplift to remuneration.

The North Northumberland Hospice

Trustees' Report

Statement of Trustees' Responsibilities
The trustees (who are also the directors of The North Northumberland Hospice for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

Disclosure of information to auditor
Each trustee has taken steps that they ought to have taken as a trustee in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

MHA Tait Walker was appointed on 17 September 2021 as auditors. The prior year accounts were unaudited, having been Independently Examined.

Reappointment of auditor
In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the trustees of the charity on 8/12/2021 and signed on its behalf by:

.....
L H M Carroll
Chairman and Trustee

.....
L A Ilderton
Trustee

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

Opinion

We have audited the financial statements of The North Northumberland Hospice (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity 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.

The comparative figures have not been audited but were subject to independent examination.

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of The North Northumberland Hospice

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

The 2020 financial statements were unaudited.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 11), the trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

Auditor's responsibilities for the audit of the financial statements

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

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

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations and fraud;

- Reviewing board minutes;

- Challenging assumptions and judgements made by management in their significant accounting estimates; and

- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: Care Quality Commission; Health and Safety; employment laws; and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with ISAs (UK). For instance, the further removed non-compliance is from the event and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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

The North Northumberland Hospice

Independent Auditor's Report to the Members of The North Northumberland Hospice

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charity's trustees 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 its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Simon Brown BA ACA DChA (Senior Statutory Auditor)
For and on behalf of MHA Tait Walker
Chartered Accountants
Statutory Auditor
Bulman House
Regent Centre
Gosforth
Newcastle Upon Tyne
NE3 3LS

Date: 9/12/2021

MHA Tait Walker is a trading name of Tait Walker LLP.

The North Northumberland Hospice

Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
Income and Endowments from:					
Donations and legacies	3	535,081	78,529	613,610	363,465
Charitable activities	4	41,976	-	41,976	78,141
Other trading activities	5	110,179	1,503	111,682	360,664
Investment income	6	5,257	-	5,257	5,391
Other income	7	155,070	162,342	317,412	10,942
Total Income		847,563	242,374	1,089,937	818,603
Expenditure on:					
Raising funds	8	(311,944)	(5,924)	(317,868)	(377,630)
Charitable activities	9	(212,090)	(261,541)	(473,631)	(421,305)
Total Expenditure		(524,034)	(267,465)	(791,499)	(798,935)
Net income/(expenditure)		323,529	(25,091)	298,438	19,668
Transfers between funds		(82,628)	82,628	-	-
Net movement in funds		240,901	57,537	298,438	19,668
Reconciliation of funds					
Total funds brought forward		617,634	114,841	732,475	712,807
Total funds carried forward	22	858,535	172,378	1,030,913	732,475

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 is shown in note 22.

The North Northumberland Hospice

Comparative Statement of Financial Activities for the Year Ended 31 March 2020
(Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2020 £
Income and Endowments from:				
Donations and legacies	3	317,705	45,760	363,465
Charitable activities	4	61,149	16,992	78,141
Other trading activities	5	358,053	2,611	360,664
Investment income	6	5,391	-	5,391
Other income	7	10,942	-	10,942
Total income		753,240	65,363	818,603
Expenditure on:				
Raising funds	8	(371,579)	(6,051)	(377,630)
Charitable activities	9	(199,124)	(222,181)	(421,305)
Total expenditure		(570,703)	(228,232)	(798,935)
Net income/(expenditure)		182,537	(162,869)	19,668
Transfers between funds		(149,069)	149,069	-
Net movement in funds		33,468	(13,800)	19,668
Reconciliation of funds				
Total funds brought forward		584,167	128,640	712,807
Total funds carried forward	22	617,635	114,840	732,475

The North Northumberland Hospice

(Registration number: 04925273)
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	17	220,748	233,036
Current assets			
Debtors	18	218,789	106,108
Cash at bank and in hand		653,208	443,441
		871,997	549,549
Creditors: Amounts falling due within one year	19	(61,832)	(50,110)
Net current assets		810,165	499,439
Net assets		1,030,913	732,475
Funds of the charity:			
Restricted income funds			
Restricted funds	22	172,378	114,841
Unrestricted income funds			
Unrestricted funds		858,535	617,634
Total funds	22	1,030,913	732,475

The financial statements on pages 16 to 37 were approved by the trustees, and authorised for issue on ....8/12/2021... and signed on their behalf by:

.....
L H M Carroll
Chairman and Trustee

.....
L A Ilderton
Trustee

The North Northumberland Hospice

Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
Cash flows from operating activities			
Net cash income		298,438	19,668
Adjustments to cash flows from non-cash items			
Depreciation	8	15,918	16,712
Investment income	6	(5,257)	(5,391)
		309,099	30,989
Working capital adjustments			
Increase in debtors	18	(112,681)	(31,822)
Increase/(decrease) in creditors	19	9,627	(16,343)
Increase/(decrease) in deferred income		2,095	(4,374)
Net cash flows from operating activities		208,140	(21,550)
Cash flows from investing activities			
Interest receivable and similar income	6	5,257	5,391
Purchase of tangible fixed assets	17	(3,630)	(30,188)
Net cash flows from investing activities		1,627	(24,797)
Net increase/(decrease) in cash and cash equivalents		209,767	(46,347)
Cash and cash equivalents at 1 April		443,441	489,788
Cash and cash equivalents at 31 March		653,208	443,441

All of the cash flows are derived from continuing operations during the above two periods.

The North Northumberland Hospice

Notes to the Financial Statements for the Year Ended 31 March 2021

1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £10 towards the assets of the charity in the event of liquidation.

The address of its registered office is: Greensfield House, Unit 3, Greensfield Industrial Estate, Alnwick, NE66 2DG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates
The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance
The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

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

The presentational currency of the charitable company is Sterling.

Going concern
The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the charity of possible future scenarios arising from the impact of COVID-19. The charity has strong positive cash balances and is forecasting for this to continue to be the case. The trustees have stress tested their forecasts, taking into account various scenarios, and remain confident that the uncertainties do not cast significant doubt on the company's ability to continue as a going concern.

Estimation uncertainty and judgements
The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates are judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The key assumptions and other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are as follows:

Depreciation is estimated so as to write off the cost of an asset, less its residual value, over the useful economic life of that asset. An estimate of the useful economic life is detailed in the depreciation accounting policy. During the year the total depreciation charge was £15,918.

Income and endowments
Income is recognised when the Hospice is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Turnover is the amount derived from the provision of goods/services, stated after trade discounts, other sales taxes and VAT.

Donations and legacies

Cash donations are recognised on receipt. Other donations are recognised once the Hospice has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacy gifts are recognised on a case by case basis following the grant of probate when the administrator/executor for the estate has communicated in writing both the amount and settlement date. In the event that the gift is in the form of an asset other than cash or a financial asset traded on a recognised stock exchange, recognition is subject to the value of the gift being reliably measurable with a degree of reasonable accuracy and the title to the asset having been transferred to the charity.

Grants receivable

Grants are recognised when the charity has an entitlement to the funds and any conditions linked to the grants have been met. Where performance conditions are attached to the grant and are yet to be met, the income is recognised as a liability and included on the balance sheet as deferred income to be released.

Deferred income

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

Donated services and facilities

Goods donated for resale at the charity shops are not recognised in the financial statements of the chairty until sold.

Investment income

Investment income, where appropriate, is included when receivable.

Expenditure

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

Raising funds

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs incurred in connection with fund raising events.

Other expenditure

Governance costs are those incurred in connection with the administration of the Hospice and compliance with constitutional and statutory requirements.

Governance costs

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grant will be received.

Government grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the assets's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

Government grants included within other operating income includes the UK Government assistance provided through Coronavirus Job Retention Scheme during the Covid-19 pandemic.

Taxation

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

Tangible fixed assets

Individual fixed assets costing £2,500.00 or more are initially recorded at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation and amortisation
Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold Property	2% Straight Line
Fixtures, Fittings and Other Equipment	10% - 20% Straight Line
Motor Vehicles	20% Straight Line
Computer Equipment	50% Straight Line
Leasehold Improvements	Straight Line over 10 year lease term

Impairment of fixed assets
At each reporting end date, the Hospice reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Trade debtors
Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade creditors
Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Fund structure
Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pensions and other post retirement obligations
All eligible employees are automatically enrolled into a workplace pension scheme. Some clinical staff are members of the NHS pension scheme. Contributions to the defined contribution plans are charged to the income and expenditure account as they become payable.

3 Income from donations and legacies

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Donations and legacies;			
Donations from trusts	64,351	68,284	132,635
Community fundraising	68,969	1,445	70,414
Legacies	88,517	-	88,517
Sponsored events and donations	313,244	8,800	322,044
	535,081	78,529	613,610

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Donations and legacies;			
Donations from trusts	35,400	39,906	75,306
Community fundraising	68,705	1,233	69,938
Legacies	46,062	-	46,062
Sponsored events and donations	167,538	4,621	172,159
	317,705	45,760	363,465

4 Income from charitable activities

	2021 £	2020 £
NHS Trust contract	41,976	61,149
Income from personal health budgets	-	1,564
Other income	-	15,428
	41,976	78,141

In 2021, all of the income is unrestricted.

In 2020, the income was allocated between unrestricted funds of £61,149 and restricted funds of £16,992.

5 Income from other trading activities

	2021 £	2020 £
Fundraising events	41,759	73,892
Shop income	66,150	263,455
Lottery income	3,773	23,317
	111,682	360,664

In 2021, income from trading activities is allocated between unrestricted funds of £110,179 and restricted funds of £1,503 relating to fundraising events.

In 2020, the income was allocated between unrestricted funds of £358,053 and restricted funds of £2,611.

6 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	5,257	5,257	5,391

In both years, the income is deemed to be unrestricted.

7 Other income

	2021 £	2020 £
CJRS	37,644	-
Hospice UK grant	162,342	-
Insurance Claims	55,901	-
Retail Grants	59,008	-
Other income	2,517	10,942
	317,412	10,942

The £162,342 received from Hospice UK is restricted with the remaining £155,070 being for unrestricted purposes. In 2020, all other income was received for unrestricted purposes.

8 Expenditure on raising funds

a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Staff costs		44,512	-	44,512	37,039
Marketing and publicity		567	-	567	2,321
Other direct costs of generating voluntary income		28,560	954	29,514	17,722
		73,639	954	74,593	57,082

b) Costs of trading activities

	Note	Unrestricted funds General £	Restricted funds £	Total 2021 £	Total 2020 £
Staff costs		102,079	-	102,079	188,821
Depreciation, amortisation and other similar costs		59,942	4,047	63,989	35,760
Other direct costs of activities for generating funds		76,284	923	77,207	95,967
		238,305	4,970	243,275	320,548

Notes to the Financial Statements for the Year Ended 31 March 2021

9 Expenditure on charitable activities

	Note	Unrestricted General £	Restricted £	Total 2021 £	Total 2020 £
Clinical services and support costs	10	212,090	261,541	473,631	421,305

	Activity undertaken directly £	Activity support costs £	2021 £	2020 £
Clinical Services	307,844	157,969	465,813	418,703
Governance costs	-	7,818	7,818	2,602
	307,844	165,787	473,631	421,305

Notes to the Financial Statements for the Year Ended 31 March 2021

10 Analysis of governance and support costs

Support and Governance costs

	Governance costs £	Support costs £	Total 2021 £
Administration costs	-	231,692	231,692
Property costs	-	10,625	10,625
Marketing costs	-	15,529	15,529
Audit fee	5,250	-	5,250
Legal and professional fees	7,984	-	7,984
Trustee costs	84	-	84
	13,318	257,846	271,164

	Governance costs £	Support costs £	Total 2020 £
Administration costs	-	211,856	211,856
Property costs	-	44,627	44,627
Marketing costs	-	14,745	14,745
IE Fee	3,500	-	3,500
Accountancy fee	500	-	500
Legal and professional fees	13	-	13
Trustee costs	1,003	-	1,003
	5,016	271,228	276,244

The table above includes support costs and governance costs that have been incurred within the costs of raising activities. The analysis below details how the costs have been allocated between cost category areas.

Analysed between	2021	2020
Costs of raising funds	105,377	126,179
Charitable Activities	165,787	150,065
Total	271,164	276,244

11 Net incoming/outgoing resources

Net incoming resources for the year include:

	2021 £	2020 £
Audit fees	5,250	-
Depreciation of fixed assets	16,310	16,712

12 Trustees remuneration and expenses

During the year the charity made the following transactions with trustees:

No trustees have received any reimbursed expenses from the charity during the year (2020: one trustee received travelling costs to meetings of £511).

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

Notes to the Financial Statements for the Year Ended 31 March 2021

13 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
Staff costs during the year were:		
Wages and salaries	475,887	488,390
Social security costs	28,650	34,372
Pension costs	35,326	37,294
	539,863	560,056

The monthly average number of persons (including senior management team) employed by the charity during the year was as follows:

	2021 No	2020 No
Chief Executive Officer	1	1
Nurse manager	1	1
Nurses	4	4
Health care assistants	17	15
Administrative managers	2	2
Administrative staff	5	3
Domestic staff	2	2
Income generation and marketing	3	5
Retail manager	1	1
Retail staff	10	8
	46	42

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £109,591 (2020 - £57,750).

14 Independent examiner's remuneration

	2021 £	2020 £
Examination of the financial statements	-	3,500

15 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	5,250	-

16 Taxation

The charity is exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

17 Tangible fixed assets

	Freehold Property £	Fixtures, fittings and office equipment £	Motor vehicles £	Computer equipment £	Leasehold improvements £	Total £
Cost						
At 1 April 2020	354,994	144,619	15,700	28,831	255,226	799,370
Additions	-	3,630	-	-	-	3,630
Disposals	(229,058)	(92,779)	(7,400)	(24,853)	-	(354,090)
At 31 March 2021	125,936	55,470	8,300	3,978	255,226	448,910
Depreciation						
At 1 April 2020	170,340	123,747	11,580	28,831	231,836	566,334
Charge for the year	5,956	5,685	1,660	-	2,617	15,918
Eliminated on disposals	(229,058)	(92,779)	(7,400)	(24,853)	-	(354,090)
At 31 March 2021	(52,762)	36,653	5,840	3,978	234,453	228,162
Net book value						
At 31 March 2021	178,698	18,817	2,460	-	20,773	220,748
At 31 March 2020	184,654	20,872	4,120	-	23,390	233,036

18 Debtors

	2021 £	2020 £
Trade debtors	25,418	53,689
Prepayments	20,487	30,699
Accrued income	172,627	21,720
VAT recoverable	257	-
	218,789	106,108

19 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	8,798	5,832
VAT grant repayable	-	783
Other creditors	15,831	18,274
Accruals	20,764	10,877
Deferred income	16,439	14,344
	61,832	50,110

	2021 £	2020 £
Deferred income at 1 April 2020	14,344	18,718
Resources deferred in the period	16,439	14,344
Amounts released from previous periods	(14,344)	(18,718)
Deferred income at year end	16,439	14,344

20 Obligations under leases and hire purchase contracts

Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
Land and buildings		
Within one year	28,500	28,500
Between one and five years	84,833	94,833
After five years	42,000	60,500
	155,333	183,833

21 Pension and other schemes

The Hospice operates two pension schemes.

Staff who are current or recent members of the NHS Pension Scheme (a multi-emploer scheme), but are not yet drawing down its benefits, continue membership in their Hospice employment, and the Hospice pays the employer's contribution of 14.3%. This is a defined benefit scheme, but for these accounts it is treated as a defined contribution scheme as the hospice is not liable for any underfunding.

There is a “Direction” from the Department of Health which enables operation of the NHS Pension Scheme for staff who are contributing members in another employment or have been up to 12 months before joining the Hospice. Under this there is an obligation to ask new staff whether they qualify, and offer them continued membership if they do. They can decline in writing, and bank staff often do. New enrolments cannot be made into the scheme. For qualifying staff who decline to contribute in this employment, auto-enrolment rules for the People’s Pension are followed.

The NHS Pension employer contribution rose from 14.3% to 20.6% in April 2019, however the government agreed to fund the increase centrally for the first 2 years, and has continued this for the present year in the face of the pandemic. There is also an admin fee of .08%. When the subsidy is removed, it will add iro £6K to staff costs.

All other staff are auto-enrolled in or offered membership of the (defined contribution) People's Pension, and the Hospice makes a contribution of 5%.

As at 31 March the Hospice's liabilities were:

	2021 £	2020 £
NHS Pension Employee Contributions	1,211	1,023
NHS Pension Employer Contributions	2,283	1,960
	3,494	2,983

	2021 £	2020 £
People's Pension Employee Contributions	840	746
People's Pension Employer Contributions	1,274	1,219
	2,114	1,965

Notes to the Financial Statements for the Year Ended 31 March 2021

22 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Unrestricted					
General					
Unrestricted Fund	617,634	847,563	(524,034)	(194,808)	746,355
Designated					
Budget deficit	-	-	-	112,180	112,180
Total Unrestricted	617,634	847,563	(524,034)	(82,628)	858,535
Restricted					
Alnwick Youth Hostel	1,720	-	(860)	-	860
Berwick Equipment Fund	597	-	-	-	597
Building Fund Donations	10,493	-	(318)	-	10,175
Dementia Walking Football	4,684	-	-	-	4,684
Department of Health	23,013	-	(715)	-	22,298
Dementia Therapy Sessions	2,350	-	-	-	2,350
Northern Rock Foundation	19,255	-	(1,287)	-	17,968
Admiral Nurse - Henfrey Trust	8,640	-	-	-	8,640
Sir James Knott Trust Fund	6,758	-	(205)	-	6,553
Wolfson Foundation	23,740	-	(720)	-	23,020
Hospice at Home	-	182,730	(228,595)	82,628	36,763
Ambling Angelas Fund	568	-	-	-	568
Berwick Garden Fund	33	-	-	-	33
Alnwick Youth Hostel Revenue	318	-	(318)	-	-
Dementia Project	8,101	-	-	-	8,101
Develop & Promote Berwick Services - Lough fund	4,569	10,000	(11,165)	-	3,404
Berwick Hospice Services	2	4,415	(4,317)	-	100
CF Covid-19 Response	-	10,000	(10,000)	-	-
Co-op Wellbeing	-	1,445	-	-	1,445
Headsets	-	500	(465)	-	35
N Est Strategy	-	5,500	(5,500)	-	-
Souter Travel	-	3,000	(3,000)	-	-
CF - RWE Renewables Middlemoor Wind Farm Community	-	24,784	-	-	24,784
Total restricted	114,841	242,374	(267,465)	82,628	172,378
Total funds	732,475	1,089,937	(791,499)	-	1,030,913

The specific purposes for which the funds are to be applied are as follows:

Alnwick Youth Hostel
Donation to purchase and run a van for use of fundraisers and charity shop.

Berwick Equipment Fund
Donation for equipment at Hazel Marsden House.

Building fund donations
This represents monies received towards the costs of adapting the premises at Berwick.

Dementia Walking Football
Provision of “walking football" facilities and coaching as therapeutic activity for Dementia patients: PF Charitable Trust, Persula Foundation, Rotary Club of Alnwick, The Sir James Knott Trust and an anonymous donation.

Department of Health
Monies received for the construction of a Mezzanine floor in the Berwick Hospice building.

Dementia Therapy Sessions - Fund: HospiceAid UK, Seahouses Rotary Club

Northern Rock Foundation
Grant towards capital costs of adapting Berwick premises to accommodate charity shop and improve clinical area.

Admiral Nurse - Henfrey Trust
Donations to fund work with dementia patients.

Sir James Knott Trust Fund
This represents monies received from the James Knott Trust Fund for the purpose of providing premises for the Hospice.

Wolfson Foundation
Monies received from the Wolfson Foundation for the purpose of providing premises at Berwick.

Ambling Angelas Fund
Monies raised towards refurbishment of Premises.

Berwick Garden Fund
Donation for garden maintenance.

Alnwick Youth Hostel Revenue
Monies set aside for running costs of shop/fundraising van.

Dementia Project
Fund for generaLsupport of Dementia Patients and their families. Added to by: the Inner Wheel Club of Alnwick, Ellingham Village Hall fund, The Community Treatment Team and a number of private donations.

Lough Fund for Berwick
Provision and promotion of hospice services within a 10 mile radius of Berwick Town Hall: The FB and PFB Lough Fund (Community Foundation)

Berwick Services
Provision of hospice services in the Berwick Area. Added to by: The Inner Wheel Club of Berwick, the Rotary Club of Berwick, Ancroft Parish Council, The Northern Angel Fund (Community Foundation)

Hospice at Home
11th Tranche of donations and grants for our core Hospice at Home service from: Hadrian Trust, The Lynn Foundation, The Barbour Foundation, The Catherine Cookson Charitable Trust, North East Promenaders Against Cancer, Hospice Aid UK, The Hedley Denton Charitable Trust, The Lions Club of Alnwick, the William Webster Charitable Trust, The Grace Trust, Amble Town Council, Alnwick Town Council, The Burgage Holders of Alnmouth, Members of the Business 250 Club and a number of private donors.Grant from the Community Foundation to enable the charity to respond to the challenges of the pandemic.

CF Covid-19 Response
Grant from the Community Foundation to enable the charity to respond to the challenges of the pandemic.

Co-op Wellbeing Fund
Grant from the Co-operative Community Fund towards our wellbeing services

Headsets
Grant from Tesco Bags of Help Covid Community Fund to provide headsets to staff enabling Hands Free use of phones

Northumberland Estates Strategy
Grant from the Northumberland Estates Community Fund to buy in strategy support for trustees

Souter Travel
Grant from Souter Charitable Trust to cover costs of travel to deliver Hospice Care in patients' homes.

CF - RWE Renewables Middlemoor Wind Farm Community
Grant from the Middlemoor Windfarm Community Fund to replace outdated IT equipment

23 Analysis of net assets between funds

	Unrestricted			
	General	Designated	Restricted	Total funds
	£	£	£	£
Tangible fixed assets	139,874	-	80,874	220,748
Net current assets/(liabilities)	606,481	112,180	91,504	810,165
Total net assets	746,355	112,180	172,378	1,030,913

	Unrestricted		
	General	Restricted	Total funds at 31 March 2020
	£	£	£
Tangible fixed assets	148,057	84,979	233,036
Net current assets/(liabilities)	469,577	29,862	499,439
Total net assets	617,634	114,841	732,475

24 Analysis of net funds

	At 1 April 2020	Financing cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	443,441	209,767	653,208
Net (debt) funds	443,441	209,767	653,208

	At 1 April 2019	Financing cash flows	At 31 March 2020
	£	£	£
Cash at bank and in hand	489,788	(46,347)	443,441
Net (debt) funds	489,788	(46,347)	443,441

25 Related party transactions

During the year the charity made the following related party transactions:

Trustees and their partners and businesses
The Hospice received £7,787 (2020: £4,401) in donations, fund raising events and ticket purchases from Trustees.
At the balance sheet date the amount due to/from Trustees and their partners and businesses was £Nil (2020 - £Nil).

Senior Managers and their partners
The Hospice received £2,756 (2020: £57) in donations and fund raising events from senior managers.
At the balance sheet date the amount due to/from Senior Managers and their partners was £Nil (2020 - £Nil).