

**Cornwall Hospice Care Limited  
(Limited by guarantee)**

**Report of the Members of the Board and  
financial statements**

**For the year ended 31 March 2021**

Company registration number 05660401

Charity registration number 1113140

# Cornwall Hospice Care Limited (Limited by Guarantee)

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# Cornwall Hospice Care Limited (Limited by Guarantee)

## Section 1: Strategic Report

The Members of the Board (who constitute Directors of the company for the purposes of the Companies Act and Trustees for the purposes of the Charities Act) have pleasure in submitting their report together with the audited financial statements for the year ended 31 March 2021 and confirm that the latter comply with the requirements of the Act, the Memorandum and Articles of Association, and the 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<sup>st</sup> January 2019).

### Highlights of the Year

#### Patient Care during Covid

Like all areas of healthcare and the wider community, the Corona Virus Pandemic impacted our hospices and we had to change some of our normal arrangements to allow us to abide by the government guidelines. We kept both of our hospice in-patient units open throughout the pandemic and ensured we looked after both patients and staff safely.

This required some changes to the range of services offered. We were unable to offer outpatient appointments and had to limit the range of hub services that could be delivered whilst remaining within Government guidelines.

Throughout the year we maintained ten in-patient beds at each unit and the number of patient admissions was our highest for some years at 404.

We continue to be regulated by the Care Quality Commission.

Patient Care	2019/20	2020/21
Number of patients admitted	380	404
Number of patients discharged	132	162
Occupied bed days	5626	5491
Outpatient appointments	37	na
Lymphedema appointments	1284	1276
Advice Line calls	1754	1479
Hub patients seen	620	258

#### Patient Satisfaction

We always welcome feedback from patients, families and carers and we use any feedback to further develop and improve the services we provide. Along with gaining views via engaging with the community we use a variety of methods to gain feedback from our users, including IWantGreatCare, SKiPP (St Christopher's index of patient preference), Friends and Family Feedback Questionnaire and expert user groups.

During the year we received 130 written compliments from patients and their families.

We also received 4 complaints plus 1 concern. These were all discussed with the parties involved and have been resolved. We aim to manage these promptly and thoroughly and respond fully. All complaints and compliments are reported to our Board.

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During the year we were not required to report any safeguarding alerts to either the Adult Safeguarding Service or the Multi Agency Referral Unit (children).

## Finance

The pandemic has had a significant impact on our ability to generate income this year. Our shops have been closed for 7 months out of 12 and all face-to-face fundraising activities have been paused for most of the past year and a half. The loss of income has been considerable, but we have been able to recover much of this from a number of Government support packages that have been available to hospices to ensure continuity of bed capacity. All areas of our expenditure were carefully scrutinised to identify efficiencies and all non-essential costs were removed or deferred.

This year we generated a deficit result of £0.5m from our operations. However, the valuation of our investment portfolio saw a significant gain in line with market movements as the negative economic impact of the Covid crisis subsided. The value of the portfolio rose by £0.4m as a result of unrealised gains. These two things together have served to produce an overall deficit result of £0.1m for the year leaving reserves slightly lower than last year at £9.1m.

Of this, £8.3m is unrestricted, leaving us in a strong financial position to continue to invest confidently in the community-based services that will form an important part of our future work. The overall financial performance in the year was slightly better than budget.

At the start of the year, we budgeted for a deficit position of £0.3m which allowed for continued investment in our community hubs, to further address the competitiveness of our pay and reward packages for staff and to invest in some of our properties. Due to Covid the year has been very different to the one we expected when preparing the budget. Our income generation activities were severely curtailed but we were able to replace this, plus more, and have ended the year with a deficit result of £0.05m.

Our income in comparison to the prior year, as reported on page 23 of the financial statements, fell by 6.7% to reach £9.7m. Total expenditure was £0.8m lower, a reduction of 8.2%.

## Fundraising

Net contribution from Fundraising income achieved £882k, £7k ahead of budget. This success included support for the Department from Government. Excluding that, £679k was the contribution raised by the Team.

The strongest income stream remained 'Donations', including 'in memory' gifts, 'general donations' and 'major donations', the latter of which saw significant growth, albeit likely one off at this value, as supporters looked to ensure our stability. Like most, the environment the Team operated within changed quickly, and our Team were agile and responsive to opportunities, having the freedom to develop products quickly. As the challenging year unfolded, their adoption of virtual events, proved worthwhile, achieving £49k from a virtual marathon and then further significant sums from a slew of other virtual offerings throughout the year. As a result, the 'Major Events' income line was one of the leading lines, as well as the 'Trusts and Foundations' line, which received good support from grant giving bodies.

A clear success of the year was 'Terry's Bed Appeal'; the Team's plea to supporters to help ensure the full bed capacity of each of the hospices as they faced uncertainty due to some support finishing and self-generated income winding up. This appeal, dedicated to Terry, a most generous patient of ours, raised £288k, 15% over its £250k target, in just five months from October 2020.

As the year closed, the focus began to shift from the feeling of needing emergency funding to secure work core services, but to becoming resilient and stable. This remains as the Team look forward at the year ahead.

Lastly, gifts in Wills contributed £1.9M to our care in the year. The disruptions caused by restrictions and lockdown measures were a cause for concern in this income stream, however it did perform well.



# Cornwall Hospice Care Limited (Limited by Guarantee)

To everyone who has supported us, we thank you.

## **Retail**

Covid prompted a significant change to the way our shops operated during the year. All shops were closed for 7 months of the year and all staff were furloughed. When we were open it was not possible to accept donations in shops and so some of our larger shops were converted to donation centres. This left us with 26 shops open for business along with four donation centres.

When trading, the results were extremely good, with much of the lost income being replaced by council grants and payments received from the Jobs Retention Scheme.

## **Our People**

The average number of staff employed across the organisation fell to 269 full and part time permanent along with 10 bank. The number of volunteers who have actively supported the work of the charity in our hospices, shops, offices and at fundraising events has fallen back this year due to restrictions imposed by Covid.

The over-arching aim of our people strategy is to be an 'Employer of Choice' for Cornwall with this being delivered by;

- Providing meaningful work that meets the needs of both the organisation and the community
- Providing flexible working practices to meet the needs of an ever-changing workforce
- Placing an emphasis on performance through being efficient and effective
- Providing open, honest and transparent internal and external communication
- Putting patients, families, carers, friends and our people at the heart of everything we do.

The key measures from our gender pay report which was last published in 2019 are set out below:

- A Mean gender pay gap of (minus) – 18%
- A Median gender pay gap of (minus) – 36%

People remain at the heart of everything that we do, we will continue to offer personal and professional development opportunities to ensure all of our people feel inspired, valued, supported and connected to the work of Cornwall Hospice Care.

## **Vision Mission and Values**

These were developed with input from trustees, staff and volunteers in 2017. This year we have continued to focus on embedding the values and ensuring all of our people understand and demonstrate them in all of their work at Cornwall Hospice Care.

### ***Our Vision***

Our vision is for all people living with terminal illness in Cornwall to be able to access the care and support they may need at the time and in the place that is right for them and their families.

### ***Our Mission***

We aspire to deliver the highest possible quality care and support to our patients and their families. We will strive to secure the resources necessary to achieve this, now and in the future.

### ***Our Values***

We aim to...

# Cornwall Hospice Care Limited (Limited by Guarantee)

- **Care** by delivering the highest quality, holistic, compassionate and individualised care to people in Cornwall.
- **Value everyone**, behaving with honesty and integrity and unlocking the potential of staff and volunteers so they can deliver a high standard of care, generate funds and support the patients, families, friends and carers who rely on us.
- **Listen** carefully to what patients, families and professionals are telling us about the services we provide.
- **Communicate** in a timely and transparent manner with both internal and external audiences, ensuring we engage, consult and inform everyone in Cornwall and beyond of what we are doing and why.
- **Collaborate** working in partnership with others to broaden our scope and deliver services to those who are hard to reach.
- **Innovate** by encouraging creativity and development of ideas to ensure we are as efficient and effective as we can be in everything we do.

## Structure, governance and management

### Status

The charity was incorporated on 21 December 2005. The company registration number is 05660401 and it is also a registered charity, registration number 1113140.

### Governing document

The charity's governing document is its Memorandum and Articles of Association.

### Charitable objects

The objects of Cornwall Hospice Care Limited are to provide help and relief to people suffering from cancer and other life-threatening illnesses by providing and promoting specialist palliative care to the people of Cornwall and the Isles of Scilly.

### Organisational management

The company's governing body is a Board of Trustees whose members are elected by the members of the charity. The Board currently comprises 11 members and there are five sub-committees.

The charity has two wholly owned trading subsidiaries: Cornwall Hospice Care Trading Limited whose sole purpose is to raise funds for the charity by reselling purchased goods for profit, and Cornwall Hospice Care Lottery Limited, which raises funds through the operation of a lottery.

The Board and its Committees meet quarterly, or more regularly if required, to review policy and performance. The day-to-day management of the charity's affairs is delegated to the Chief Executive and the Executive team.

This year the Board and Committee meetings were held using video conferencing. None of the scheduled meetings needed to be cancelled and all trustees had the opportunity to attend all meetings. Additional meetings were held across the year to provide input to and oversight of our response to the challenges raised by Covid. Consequently, average attendance at meetings was significantly higher than in the previous year.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Members of the Board

The following were members of the Board during the year:

<b>Mr D W Renwick (Chair)</b>	
<b>Mrs M A Anson</b>	<i>Resigned 14th September 2020</i>
<b>Mrs L A Clarke</b>	
<b>Mrs S M Godzicz</b>	<i>Appointed 1st October 2020</i>
<b>Mr S Gupta</b>	<i>Appointed 1st October 2020</i>
<b>Dr S Hawkins</b>	
<b>Ms B Macintyre</b>	
<b>Mr A C Naylor</b>	
<b>DR CJ Phillip</b>	
<b>Mr G Piercy</b>	
<b>Mrs L J Stubberfield</b>	
<b>Mr A J Whyte</b>	

Ms Macintyre and Mr Renwick also served on the Boards of Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited during the year.

Board members retire by rotation every 3 years and may offer themselves for re-election at that time, up to a maximum 9-year period of office. This can be extended in exceptional circumstances by an additional year as set out in our governance policy.

## Board Committees

There are five sub- committees of the Board. Membership of these Committees during the year is set out below:

NB; The table represents core membership only, but any Trustee may attend any committee meeting should they so wish.

<i>Clinical Services Committee</i>	<i>Finance Committee</i>	<i>Income Generation Committee</i>	<i>Governance Committee</i>	<i>Remuneration Committee</i>
Dr S Hawkins (Chair)	Mr A C Naylor (Chair)	Mrs B Macintyre (Chair)	Mr D W Renwick (Chair)	Mr D W Renwick
Mrs M A Anson	Dr S Hawkins	Mrs L A Clarke	Dr S Hawkins	Dr S Hawkins
Dr S Gupta	Mrs S M Godzicz	Mr G Piercy	DR CJ Phillip	Mrs B Macintyre
DR CJ Phillip	Mr D W Renwick	Mr D W Renwick	Mrs L J Stubberfield	Mr A C Naylor
Mr D W Renwick	Mr A J Whyte			
Mrs L J Stubberfield				

## Recruitment and induction of Trustees

Recruitment of Trustees is done on an ongoing process in order to maintain a balance of members with a good mix of up to date and appropriate skill sets.

Trustee vacancies are advertised on our website and through other channels. Suitable candidates are interviewed and, depending on vacancies, are invited to become Trustees based on their skills and knowledge. New Trustees are introduced to the charity's workings by the existing Trustees and the executive team when appointed via a structured induction program.

## Executive Officers

**Chief Executive:** Paul Brinsley

**Director of Clinical Services:** Gina Starnes

**Finance Director & Company Secretary:** Graham Clarke

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Patron

The Rt Revd Tim Thornton, Bishop of Lambeth

## Principal address and registered office

Mount Edgcumbe Hospice  
Porthpean Road  
St Austell  
Cornwall  
PL26 6AB  
[www.cornwallhospicecare.co.uk](http://www.cornwallhospicecare.co.uk)

## Advisers

**Solicitors:** Michelmores LLP  
Woodwater House  
Pynes Hill  
Exeter, EX2 5WR

**Auditors:** RRL LLP  
Peat House  
Newham Road  
Truro, TR1 2DP

**Investments:** Aberdeen Standard Wealth  
30 St Marys Axe, London  
EC3A 8EP

**Bankers:** Barclays Bank PLC  
10 Church Street  
St Austell, PL25 4AS

Brewin Dolphin  
Vantage Point  
Woodwater Park  
Pynes Hill  
Exeter, EX2 5FD

## Related parties

The charity has two wholly owned subsidiaries, Cornwall Hospice Care Trading Limited and Cornwall Hospice Care Lottery Limited. Details of transactions with those parties are included in note 15 of the financial statements.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## **Report of the Chair**

Like almost all organisations, the past twelve months at Cornwall Hospice Care have been dominated by the impact of the Covid pandemic. The demand for our services has increased sharply, reflecting our growing role in the integrated care system here in Cornwall. At the same time, our ability to generate the income we need has been severely limited.

Thanks to the hard work and professionalism of our clinical staff, we have been able to keep all of our 20 beds open and operating safely. The number of patients admitted last year increased to 404, with our bed days delivered pretty much unchanged at just under 5,500.

Whilst provision of the highest quality care via our two inpatient units remains core to what we do, our objective of expanding the delivery and scope of our expertise and services into the community via Neighbourhood Hubs remains another strategic priority. During the year we saw 258 patients at our hubs and open house sessions, a sharp reduction on the previous year. We look forward to being able to re-introduce this part of our service as restrictions are lifted later in 2021.

Our income generation activities came to a complete stop at the end of March 2020 apart from lottery. We have been able to benefit from local and national Government financial support packages which have replaced much of the income we would otherwise have lost. As a result, our outturn financial position remains broadly unchanged from the previous year end.

It has been a very difficult year for all of our staff and volunteers. Some have been asked to work harder than ever, forgoing their days off to keep beds open. Many others have been asked to stay at home after being placed on furlough. Many of our volunteers have been asked to temporarily stay away whilst shops have been closed and the hospice has seen restrictions on the number of people able to work there. It has been a real pleasure to see many of our people able to return in a meaningful way in recent months. I would like to thank everyone who has played such an important role in navigating the charity through this most difficult of years.

We had one member leave the Board during the year. I would like to say a special thank you to Mary Anson who left us in September after three years of service. Mary was a valued member of the Clinical Services Committee, and her contribution will be missed. We were pleased to welcome two new Board members during the year. Sue Godzicz and Dr Sanjeev Gupta were both appointed in October, and both have made significant contributions to our work already.

**David Renwick**  
*Chair of Trustees*

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Chief Executives Report

Cornwall Hospice Care is the charity that provides specialist palliative and end of life care to the people of Cornwall. We provide this through the following avenues:

- Our two inpatient units, at St Julia's in Hayle and Mount Edgcumbe in St Austell that provide high dependency care led by our doctors and nurses
- Our advice line that provides advice and support to healthcare professionals 24 hours a day 7 days a week
- Our medical and therapy teams that make domiciliary visits in the community
- Our lymphoedema service supporting patients
- Our new Hubs and Open House initiatives engaging with local communities

I believe this care to be of the highest quality, evidence for which is described in this report and by our current CQC ratings of Outstanding and Good for our hospices.

## Public benefit

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

## Aims and intended impact

The aim of the charity is to ensure the widest possible access to its specialist palliative care services throughout Cornwall. The intended impact is to reduce suffering of patients living with terminal conditions predominantly cancer related and to provide appropriate support to their families.

To support delivery of this care we have a governance structure through which we work critically reviewing our services; developing systems and processes that allow us to continually challenge ourselves and where necessary implement changes to improve our care. The structure includes Quality Assurance, Clinical Governance and the Clinical Services Committee, as well as quarterly scrutiny by the full Board of Trustees.

The last year has been a very positive one during which we have been able to open more beds at both hospices, bringing our total to 20. It underlines our determination to provide the best possible end-of-life care for those patients in Cornwall who need us. This followed our pledge in the last Quality Account to increase salaries where appropriate, to mirror or exceed the NHS Agenda for Change pay scales. We also increased holiday allowances for clinical staff. The net result is an ability to recruit and retain the skilled staff we need.

We have also developed our Community Services in this period to offer Neighbourhood Hub support clinics in two key towns and at our hospices, Community Friendship Cafés, Wellbeing Workshops and Bereavement Friendship Support Groups. We are often operating in collaboration with other organisations and charities and I see this collaboration developing as we all work together to offer exceptional support to those patients living with their conditions in our communities.

I continue to be humbled by the dedication and loyalty of our staff and volunteers. Each is a valued member of our one team and committed to ensuring we deliver the highest standard of care. Whether they are working on our frontline providing the care or in our shops and at fundraising events helping to fund that care, they are all an inspiration.

# Cornwall Hospice Care Limited (Limited by Guarantee)

Our focus in this next year must reflect the huge impact of the worldwide Coronavirus outbreak. We will focus on supporting our NHS colleagues in continuing to deliver the best possible patient care, ensuring our beds are utilised as effectively as possible to maintain system capacity.

**Paul Brinsley**  
**Chief Executive**

## **Strategic Priorities for 2020-23**

During the year we reviewed our five-year strategic priorities for the period up to 2023. This was done in consultation with Trustees, staff, and volunteers. Our agreed strategic priorities remain as set out below:

- **In-patient beds** – ensuring sufficient beds for palliative care are maintained to meet the needs of the population.
- **Community services** – offering service and support closer to home.
- **Carers** – providing emotional support and practical help to enable carers to cope with the difficult task of looking after a loved one at the end of their life.
- **Volunteers** – harnessing the skills and knowledge volunteers have to deliver services; building on the work of compassionate communities.
- **Community engagement** – ensuring services deliver what our users and potential users want and need.
- **Education** – raising the standard of end of life care in all our communities.
- **Workforce** – developing, supporting and shaping the workforce for the future.
- **Funding** – growing and developing our funding ethically from a diverse range of sources including our retail, fundraising and lottery activities.

Underpinning these eight strategic priorities we will work to deliver services that are integrated and offer value for money. We also need to ensure that throughout the coming strategic cycle we develop our workforce (paid and volunteers) ensuring it is fit to deliver care in the 21st century, therefore ensuring the balance between acute medical specialist palliative care and the wider holistic care for which hospices are renowned is correct.

## **Progress made in 2020/21**

### **Consolidate the running of 10 beds**

- Recruitment to clinical establishment was completed
- Maintained 20 beds during the year

### **Introduce electronic prescribing**

- Set up a test system for training and testing
- Laptop computers were acquired and sited on drug trolleys to enable electronic administration as part of drugs round
- Wi-Fi boosters installed to ensure uninterrupted connectivity on all parts of the wards.
- The system went live at both hospices in mid June.

### **Work in partnership to develop community services to meet identified needs**

- Despite the impact of the Covid, we continued to liaise and work with our community colleagues. We appointed an Advanced Nurse Practitioner who now undertakes patient visits in the community to assess the patient prior to the decision to admit and also provides training to community colleagues.
- Continued to deliver training to nursing and residential care home staff using video links.
- Worked with Community Connect to run a series of well attended webinars.
- Played a lead role in setting up the Cornwall Bereavement Network early in 2020.



# Cornwall Hospice Care Limited (Limited by Guarantee)

## **Ensuring the clinical governance of the charity is fit for the future**

- As we come out of the pandemic, we will start our detailed plans to become a nurse led unit ensuring we have the correct competencies across all fields and levels of staff.

## **Priorities for 2021-22**

In 2021/22 our overarching priority will be to support staff to deliver excellent care for patients at Cornwall Hospice Care by:

- To continue to operate 10 beds in each of our in-patient units.
- To restart our community hubs and other services.
- To complete the roll out of our electronic prescribing system and progress work on an electronic patient records system.
- To restore the profitability of our income generation activities.
- To achieve a surplus result in the financial year 2021-22.

## **Risk Management and Internal control**

The Trustee Board has overall responsibility for the charity's risk management and internal control systems. Each Board Committee reviews risk in its own area at each of its meetings during the year. The Finance Committee, advised by management, supports the Board by monitoring an agreed program of internal audit activity, keeping internal controls constantly under review.

The Board carries out a robust assessment of the principal risks facing the charity at each meeting, including those that threaten its business model, future performance, reputation or solvency. The Board risk register sets out the charity's key risks as assessed at any point in time and these are reviewed on a regular basis by the Board.

The strategic risks currently being monitored include those to our future ability to generate income should there be a repeat of the lockdowns we have experienced in 2020-21. We envisage on-going challenges in staff recruitment and retention in what is likely to be a competitive employment market. We will continue to rely heavily on the contribution of our volunteer team and will take steps to facilitate a safe return for these teams.

The table below identifies the principal risks identified and monitored by the Board during the year based on the processes described above. Going forward, the Board will continue to consider work carried out by the executive on the identification and management of risk, including in relation to the delivery of our planned community programs.



# Cornwall Hospice Care Limited (Limited by Guarantee)

Risk Table 2020/21

Risk Area	CHC Key Risk	Mitigating Actions
Shortage of staff and volunteers across the organisation	An increased number of staff have left the charity and it has become increasingly difficult to recruit replacements. Many volunteers did not return due to need to isolate or care for family members.	We have widened the number of channels used to advertise vacancies for staff and volunteer posts. The number of internal promotions have been increased. For a limited number of hard to fill vacancies we have used recruitment agencies. Our campaigns to attract new volunteers through social media have been successful
PR & Comms	Incorrect or speculative story in the press either externally or internally sourced, e.g. changes to services, staff shortages or high salaries.	Clear communications to be maintained about our work, role and place in Cornwall's health providing community. Prepared statements to be available for key issues that may arise or that we are aware may become public knowledge. Staff communications have been strengthened leading to an internal survey on the effectiveness of our communications to staff and volunteers.
Electronic patient records	NHS organisation and organisations that deliver care under NHS contract are required to have electronic records by the end of 2020.	Business requirements have been scoped and potential options identified. A preferred solution has been chosen and costings agreed. However, as at February 2020 we have no clear steer from local commissioners and other providers about their choice of system. Covid has delayed the 2020 deadline. Eprescribing has been prioritised at CHC and went live at both units during June 2021.
Income generation	The impact of Covid 19 on our ability to raise the necessary funds to pay for the services we provide.	Bring back income generating activities only within safe guidelines only. Maximise claims for financial support available under Government and Cornwall Council schemes. Review carefully all expenditure. Utilise reserves as a last resort.
Clinical	Consultant delivered specialist palliative care in reach service being piloted with RCHT. Informal agreement during pilot and potential mismatch of expectations could lead to reputational risk.	Service Review positive and the former Medical Director was supporting RCHT in development of business case for more consultant capacity across all care settings in the county. Agreement reached to transfer CHC consultant resource to RCHT / CFT in mid 2021.

## Going concern basis of accounting and long term viability

Prior to the Covid pandemic, The Directors had carried out a review of the company's budget for the coming year 2021/22 and its strategic priorities. At the time they concluded that they have a reasonable expectation that the company had adequate resources to continue to operate for the foreseeable future, meeting its financial obligations as they fall due.

Since Covid and the substantial impact had on our ability to generate income, there have been several local and national government interventions that have replaced most of the income lost. Part of our income generation team returned during June 2020 albeit at a much lower level, before being closed again from November.

The Directors also monitor closely future expectation for legacy income, which currently has a stronger pipeline than for many years. Accordingly, the Directors continue to adopt the going concern basis in preparing the Annual Report and Accounts.

As part of its assessment of principal risks, CHC has also considered its viability over the longer term. Much of the funding we require is generated by our shops and other fundraising activities. These began to generate income again from 12<sup>th</sup> April 2021 when restrictions were lifted. The Board has reviewed long-term plans in each of these areas and is satisfied that the level of investment in staff, systems and new shops is appropriate and will help to generate the necessary income to ensure the continuing level of care.

## Financial Review

The details of our financial performance for the year are set out in section 4 of this report. Management accounts are prepared each month and are reviewed by the executive team and the Board. Annual budgets for both income and expenditure are set and approved by the Board. The monthly management accounts set out performance against budget and against the previous year. At the end of each quarter, revised forecasts for the year are prepared by the finance team and presented to the Board through the Finance Committee.

# Cornwall Hospice Care Limited (Limited by Guarantee)

A deficit result of £49k was recorded in the period which compared to a budgeted deficit of £273k. This result represents a reduction in the annual deficit of £811k compared to the previous year. We are very grateful for the financial assistance received in all its forms during the year from the UK government via the Job Retention Scheme, Cornwall Council for the retail support grants and NHS England for their support in keeping our beds open. Collectively these have contributed £3.2m to our income.

The additional amount received from Cornwall CCG under our clinical contract was also very much appreciated

The financial performance is summarised in the table below:

Financial Summary £000s	2020/21 Actual	2020/21 Budget	2019/20 Actual
Total Income	9,669.6	11,212.6	10,313.6
Expenditure	10,141.9	11,508.0	10,978.4
Operating Result	-472.3	-295.4	-664.8
Gain / (loss) on investments & pro	406.3	22.0	-182.1
Gain / (loss) on disposal of fixed as	1.3	0.0	2.6
Gain / (Loss) on pension scheme p	16.0	0.0	-14.8
Surplus / deficit	-48.8	-273.4	-859.2

## Income

The table below sets out a summary of income as recorded in our management accounts for the year and set out in the notes to the financial statements.

The total income earned in the year was £9.7m which was £1.5m (13.4%) less than budget and £0.6m (5.8%) lower than last year.

The loss of our income generation activities was £4.5m, but much of this was replaced by grants and other support received.

Legacies receipts were significantly below budget, but we have exited the year with a strong pipeline of very generous gifts in wills which will greatly benefit our financial position in future years.

Fundraising and retail were both below budget for the year, partially due to the impact of Covid which caused event cancellations and shop closures.

Income Summary £000s	2020/21 Actual	2020/21 Budget	2019/20 Actual
Legacies	1,674.5	2,433.6	1,433.4
Donations	540.8	410.6	429.8
Fundraising	498.1	993.3	820.3
Gross income from Retail	1,282.4	5,220.8	4,955.6
Gross income from Lottery	678.0	736.5	680.0
Income from clinical contracts	1,444.8	1,044.8	1,172.5
Covid 19 Grants	3,248.7	0.0	487.1
Investment Income	121.2	69.5	106.8
All other income	181.1	303.5	228.1
Total Income	9,669.6	11,212.6	10,313.6

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Expenditure

Total expenditure for the year was as budgeted at £11.5m, representing growth of £0.53m (5%) compared to last year.

Actual expenditure for the year was £10.1m representing a significant saving of almost £1.4m across all activities. Covid required us to examine our expenditure across all areas very closely and ensure any non-essential costs were eliminated or deferred to a later date.

The table below sets out the summary of expenditure incurred.

<b>Expenditure Summary £000s</b>	<b>2020/21 Actual</b>	<b>2020/21 Budget</b>	<b>2019/20 Actual</b>
Retail	3,265.5	4,083.4	4,113.0
Lottery	195.5	329.3	292.9
Cost of raising funds	472.9	534.6	562.3
Provision of care	6,105.4	6,440.6	5,914.4
Support costs	102.6	120.1	95.8
<b>Total Expenditure</b>	<b>10,141.9</b>	<b>11,508.0</b>	<b>10,978.4</b>

## Gain on investments

The value of the hospice investment portfolio grew by £0.4m during the year. The value has increased steadily during the year following a sharp reduction towards the end of the previous financial year. This trend has continued and the value grown by a further £0.1m by 1<sup>st</sup> June 2021.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Section 2: Directors Report

### Reserves policy

The Board and the Finance Committee review the reserves policy regularly. We recognise that we need to treat the management of the charity's reserves as an integral part of the strategic planning process, in order to develop and maintain the delivery of our services in the best interests of our beneficiaries. We review the level of free reserves required based on an assessment of the major financial risks to which the charity is exposed, and by maintaining and updating a longer-term financial plan.

As with previous years, the commissioning and funding of all NHS care service provision brings uncertainty, but this has been mitigated by the renewal of our contract reported above. Uncertainty in the general economic climate and ever-increasing competition from other charities, along with a continued difficulty to recruit members of staff with the required skills and experience, continue to pose challenges to our retail, fundraising and voluntary giving activities.

### COVID Resilience

Total free reserves of £4.7m were held by the charity at 31st March 2021. This comprises a general reserve equating to 3 months running costs plus a balance of £1.8m, which the Trustees believe is necessary to retain given the strategic risk factors identified above, the continued unpredictability of vital legacy income and the current uncertainties within the economic climate and retail environment.

Note 30 on page 45 sets out operating lease commitments of £1.8m (2020: £1.7m) which would need to be provided for from these reserves, in the extremely unlikely event that the charity is forced into closure.

As in previous years, the Board has continued its policy of designating funds from reserves to cover short and medium term expenditure, which it recognises may not be covered by a guaranteed income stream. This includes retention of the balances of £0.3m to cover the estimated costs of future service developments relating to the planned introduction and expansion of community services.

### Volunteers

The Board would like to place on record once again its grateful thanks to the hospice volunteers, fundraising groups and shops volunteers for their continued and unstinting support. It is also grateful to the general public who have been so generous to the hospices over the years by donating funds and second hand goods to our shops, playing our lottery and supporting our fundraising events.

### Fundraising Compliance

We comply with all relevant statutory regulations including the Charities Act 2011, the Charities (Protection and Social Investment) Act 2016, the Data Protection Act 1998, the Privacy and Electronic Communications Regulations 2003, the Telephone Preference Service and the Mailing Preference Service.

We are also registered with the Fundraising Regulator and the Gambling Commission and are committed to upholding the standards of the Code of Fundraising Practice. We have committed to honest, fair and open fundraising activity and protecting the financial position of those who may be vulnerable. To the best of our knowledge, we have met these standards. The Fundraising Preference Service (FPS) was launched in July 2017 and we have taken steps to ensure we comply with any requests highlighted by them. For the year just ended there were no suppression requests.

During the year we utilised a wide range of fundraising activities to raise money to fund the services we provide. These include sponsored events, corporate sponsorship, community support, mostly held virtually this year. Donations, our lottery and bumper draws have continued in the usual way. The majority of the work

# Cornwall Hospice Care Limited (Limited by Guarantee)

is carried out by our staff and our volunteers. In addition, we use third party companies as canvassers to recruit for our lottery and delivery staff for events held domestically and overseas.

We monitor fundraising activities carried out on our behalf with randomised follow up calls to supporters, regular meetings and regular training, the results of which are reported to our Income Generation Committee. No formal complaints were received in the last year.

## **Accounting policies**

There were no changes to accounting policies made during the year.

## **Executive remuneration**

As a specialist medical charity directly employing highly skilled clinical staff including nurses, therapists, doctors and consultants to deliver our services, the Board is mindful of the need to have equally well qualified and skilled senior managers to carry the responsibility for the day to day operation of the two hospices including the responsibility to raise the funds needed to ensure continuity of care. The Board, through the Remuneration Committee, has carefully considered the remuneration of the senior staff including the Chief Executive, Finance Director and the Director of Clinical Services. The Board is satisfied that the remuneration offered is appropriate to the level of responsibility held and in line with market rates for roles in similar sized charitable organisations delivering specialist medical care.

## **Investment policy and objectives**

The Board has approved an investment policy which requires a balanced return from income and capital growth and whose primary focus is the preservation of the capital value of the portfolio sum. In order to achieve this, the Board has set a target annual minimum return on the value of the portfolio, which is directly related to the level of risk attached to the investments.

The investment portfolio has continued to be managed jointly by Aberdeen Standard Capital and Brewin Dolphin.

A quarterly report detailing the portfolio performance is prepared and scrutinised by the Finance Committee. The annual return on the portfolio for the year fell short of the Board's stated minimum requirement.

The charity also owns a total of four properties, other than the hospice buildings. Two of these are used for our own retail operation. The other two are rented to third parties to produce income streams. We also sublet part of one of our leased premises to produce an additional income stream.

Other surplus cash holdings are invested in short term bank deposits, earning a low rate of interest, but are readily available to meet any short-term cash requirements.

## **Our impact on the environment**

Cornwall Hospice Care is committed acting in ways that minimise the impact of its activities on the environment. Some of the things we have done during the year to help us achieve this are set out below:

- Engaged with a new recycling partner who have a zero to landfill policy
- Stopped providing new plastic bags in our shops, replacing them with reused bags or our own paper bags.
- Stopped using shrink wrap plastic in the delivery of furniture.
- The solar panels installed at St Julia's hospice generated over 100,000 kwh of power during the year.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## **Tax status**

Cornwall Hospice Care Limited, being a registered charity, is exempt from corporation tax on its investment and other non-trading income.

## **Accounting and reporting responsibilities of the Board**

The members of the Board constitute directors of the company for the purposes of the Companies Act. They are responsible for preparing the Report of the Members of the Board and the financial statements in accordance with applicable law and regulations.

Law applicable to companies in England and Wales requires the directors to prepare the financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the group and company and of the net incoming or outgoing resources of the group for that year. In preparing those financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and group and to enable them to ensure that the financial statements comply with the Companies Act 2006 and Charities Act 2011. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of group and company and to prevent and detect fraud and other irregularities.

## **Statement of disclosure to auditor**

So far as the members of the Board are aware, there is no relevant audit information of which the charity's auditors are unaware. Additionally, the members of the Board have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information.

By order of the Board

 04-11-21

**GI Clarke**  
*Company Secretary*

Porthpean Road  
St Austell  
Cornwall



# Cornwall Hospice Care Limited (Limited by Guarantee)

## Section 3: Independent auditors' report to the members of Cornwall Hospice Care Limited

### Opinion

We have audited the financial statements of Cornwall Hospice Care Limited (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise of the group statement of financial activities, group and company balance sheet, group 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 applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's incoming resources and application of resources, including its income and expenditure, for the period 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 and the Charities Act 2011.

### Basis for opinion

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

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## **Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)**

### **Other information**

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. 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.

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

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

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

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Act 2011 requires us to report to you if, in our opinion:

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



# Cornwall Hospice Care Limited (Limited by Guarantee)

## **Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)**

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

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

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.

As part of our audit work, we obtained an understanding of the legal and regulatory frameworks applicable to the group and the sector in which it operates. We determined that compliance with the Care Quality Commission, regulations relating to the safeguarding of vulnerable beneficiaries and the Gambling Act 2005 were most significant to the group as well as the laws and regulations that have a direct impact on the preparation of the financial statements such as the Charities Act 2011, the Companies Act 2006 and compliance with the Charities Statement of Recommended Practice.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud is detailed below:

- Discussion with management as to how compliance with these laws and regulations is monitored;
- Enquiries of management concerning actual and potential litigation and claims;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing minutes of trustee meetings and correspondence with regulators;
- Performing audit work in connection with the risk of management override of controls, including testing journal entries for reasonableness and evaluating the business rationale of significant transactions outside the normal course of business.

We also communicate relevant identified laws and regulations and potential fraud risk to all engagement team members and remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

# Cornwall Hospice Care Limited (Limited by Guarantee)

## **Independent auditors' report to the members of Cornwall Hospice Care Limited (continued)**

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and to the charitable company'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 charitable company's members and its 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 the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Mark Williams FCA DChA (Senior Statutory Auditor)**

For and on behalf of RRL LLP

*Statutory Auditors*

Peat House  
Newham Road  
TRURO  
Cornwall  
TR1 2DP

24 November 2021

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Consolidated statement of financial activities

For the year ended 31 March 2021

	Notes	Unrestricted funds £	Restricted funds £	Total 2021 £	Total 2020 £
<b>Income</b>					
Donations & legacies	4	2,215,283	-	<b>2,215,283</b>	1,863,218
Income from Charitable Activities	5	1,444,792	-	<b>1,444,792</b>	1,172,503
<b>Income from Other Trading Activities:</b>					
Commercial trading operations	6	1,960,435	-	<b>1,960,435</b>	5,635,616
Fundraising	6	488,066	10,000	<b>498,066</b>	820,286
Covid-19 support income	7	1,317,449	1,931,295	<b>3,248,744</b>	487,041
Other income		181,072	-	<b>181,072</b>	228,072
Investment income	8	121,192	-	<b>121,192</b>	106,821
<b>Total Income</b>		<b>7,728,289</b>	<b>1,941,295</b>	<b>9,669,584</b>	<b>10,313,557</b>
<b>Expenditure</b>					
<b>Expenditure on raising funds</b>					
Commercial trading activities		3,460,993	-	<b>3,460,993</b>	4,405,925
Costs of generating donations and legacies		451,786	-	<b>451,786</b>	539,935
Investment portfolio fees		21,126	-	<b>21,126</b>	22,357
<b>Expenditure on charitable activities</b>					
Provision of care		4,154,248	1,951,083	<b>6,105,331</b>	5,914,388
Support costs		102,629	-	<b>102,629</b>	95,822
<b>Total Expenditure</b>	9	<b>8,190,782</b>	<b>1,951,083</b>	<b>10,141,865</b>	<b>10,978,427</b>
<b>Net gains/(losses) on investments</b>		<b>406,319</b>	<b>-</b>	<b>406,319</b>	<b>(182,076)</b>
<b>Net expenditure</b>		<b>(56,174)</b>	<b>(9,788)</b>	<b>(65,962)</b>	<b>(846,946)</b>
<b>Transfers</b>					
Gross transfers between funds		-	-	-	-
<b>Other recognised gains and losses</b>					
Gain on disposal of fixed assets		1,240	-	<b>1,240</b>	2,637
Pension Liability		15,966	-	<b>15,966</b>	(14,822)
<b>Net movement in funds</b>		<b>(38,968)</b>	<b>(9,788)</b>	<b>(48,756)</b>	<b>(859,131)</b>
<b>Reconciliation of funds:</b>					
Fund balances brought forward		8,374,369	759,986	<b>9,134,355</b>	9,993,486
<b>Fund balances carried forward</b>	27,28,29	<b>8,335,401</b>	<b>750,198</b>	<b>9,085,599</b>	<b>9,134,355</b>

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Balance sheet

As at 31 March 2021

	Notes	The Company 2021 £	The Group 2021 £	The Company 2020 £	The Group 2020 £
<b>Fixed assets</b>					
Tangible assets	18, 19	4,306,744	4,306,744	4,430,588	4,430,588
Intangible assets	20	-	-	-	4,139
Investments	21	3,611,643	3,611,643	3,405,080	3,405,080
		<u>7,918,387</u>	<u>7,918,387</u>	<u>7,835,673</u>	<u>7,839,807</u>
<b>Current assets</b>					
Stock	22	20,979	104,029	20,979	105,366
Debtors	23	1,295,430	1,098,545	1,607,707	1,500,835
Cash at bank and in hand		340,101	603,711	121,789	402,229
		<u>1,656,510</u>	<u>1,806,285</u>	<u>1,750,475</u>	<u>2,008,430</u>
<b>Creditors: amounts falling due within one year</b>	24	(549,858)	(639,073)	(890,933)	(713,882)
<b>Net current assets</b>		<u>1,106,652</u>	<u>1,167,212</u>	<u>859,542</u>	<u>1,294,548</u>
<b>Provision for liabilities</b>		-	-	-	-
<b>Total net assets</b>		<u>9,025,039</u>	<u>9,085,599</u>	<u>8,695,215</u>	<u>9,134,355</u>
<b>The funds of the charity</b>					
Restricted funds	27	750,198	750,198	759,986	759,986
Unrestricted funds	28	8,274,841	8,335,401	7,935,229	8,374,369
		<u>9,025,039</u>	<u>9,085,599</u>	<u>8,695,215</u>	<u>9,134,355</u>

These financial statements were approved by the Members of the Board on 4th November 2021 and were signed on its behalf by:



D W RENWICK

Director

Company registration no.: 05660401

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Consolidated cash flow statement

For the year ended 31 March 2021

	<i>Note</i>	<b>2021</b>	<b>2020</b>
		<b>£</b>	<b>£</b>
<b>Cash provided by/(used in) operating activities</b>	<b>34</b>	<b>44,937</b>	<b>(947,002)</b>
<b>Cash flows from investing activities</b>			
Interest income		198	1,861
Dividends income		61,580	74,593
Rental income from investment property		59,414	30,367
		<b>121,192</b>	<b>106,821</b>
Purchase of tangible fixed assets		(173,042)	(177,919)
Purchase of investments		(634,155)	(580,270)
Receipts from sale of investments		833,916	537,595
Withdrawal of funds from Investment Portfolio		-	139,500
Receipts from sale of tangible fixed assets		8,634	1,707
<b>Net cash flows from investing activities</b>		<b>35,353</b>	<b>(79,387)</b>
<b>Increase/(decrease) in cash equivalents</b>		<b>201,482</b>	<b>(919,568)</b>
<b>Cash and cash equivalents at 1 April 2020</b>		<b>402,229</b>	<b>1,321,797</b>
<b>Cash and cash equivalents at 31 March 2021</b>		<b>603,711</b>	<b>402,229</b>

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

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

*(forming part of the financial statements)*

### 1 Constitution

The charity is a company limited by guarantee, domiciled in England and Wales, registration number 05660401 and does not have a share capital. In the event of the charity being wound up each member is liable to contribute a sum not exceeding £10. There were 11 members at 31 March 2020 (2020:10). The registered office is recorded in the Trustees' report.

### 2 Consolidation

The consolidated financial statements incorporate the financial statements of Cornwall Hospice Care Limited and its subsidiary undertakings Cornwall Hospice Care Trading Limited, Cornwall Hospice Care Lottery Limited and Resource Kernow Newco Ltd.

A separate Statement of Financial Activities and Income and Expenditure Account for the charity has not been presented because the charity has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

### 3 Accounting policies

#### 3.1 Accounting convention

The financial statements have been prepared on a going concern basis and in accordance with Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with 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 and the Companies Act 2006.

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

#### 3.2 Going concern

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

#### 3.3 Tangible fixed assets and depreciation

Individual fixed assets costing £500 or more are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Freehold buildings	2% per annum at cost (minor refurbishment costs 100%)
Short leasehold improvements	over the period of the lease
Long leasehold buildings	2% per annum (minor refurbishment costs 100%)
Medical equipment and fittings	10% per annum
I.T. equipment	15% - 25% per annum on cost
General equipment and fittings	10% - 100% per annum
Motor vehicles	20% per annum

Depreciation is calculated on a monthly basis where assets are purchased during the year.

No depreciation is provided on freehold land.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

*(forming part of the financial statements)*

### 3.4 *Fixed asset investments*

Investments are stated in the financial statements at fair/market value. Unrealised gains on investments are calculated by reference to the difference between fair/market value from one year to the next. Realised gains or losses are calculated by reference to the difference between proceeds of sale and the carrying value of the investment at the previous year end.

### 3.5 *Operating leases*

Rentals under operating leases are charged on a straight line basis over the lease term.

### 3.6 *Stocks*

Stocks are valued at the lower of cost and net realisable value.

Donated items of stock are not valued at time of receipt but income from them is recognised at point of sale. The Trustees opted to continue this policy due to the amount of time, cost and administration involved in the exercise of valuing donated stock. For a charity the size of Cornwall Hospice Care Limited, the Trustees took the view that this is not practical.

### 3.7 *Income*

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

Legacies are deemed receivable from the date of notification, provided that sufficient information has been received to enable a reliable measure of the amount receivable to be made. Recognition of a legacy, in whole or in part, is only made when the amount can be measured accurately and the charity has been notified of the executor's intention to make a distribution. This valuation method reflects the inherent uncertainty as a substantial proportion of legacy income is represented by property and other investments whose value is subject to market fluctuations until realised. Residuary legacies are valued in line with these considerations.

Investment income is credited to the statement of financial activities on a receivable basis.

### 3.8 *Grants receivable & deferred income*

Grants receivable are recognised as incoming resources in the year to which they relate. Grants are deferred where they relate to a specified future period. They may be repayable in certain circumstances.

### 3.9 *Expenditure*

The majority of costs are directly attributable to specific activities. Shared costs are apportioned to the activities in furtherance of the objects of the charity on the basis of estimated usage by each cost centre of the services provided. Irrecoverable VAT is included within expenditure.

### 3.10 *Investment properties*

In accordance with Charities SORP (FRS 102):

- i) investment properties are revalued annually by the Board on an open market basis (fair value) and the aggregate surplus or deficit is recognised through the Statement of Financial Activities, and
- ii) no depreciation is provided in respect of freehold investment properties.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

*(forming part of the financial statements)*

### 3.11 *Pensions*

The pension costs charged in the financial statements represent the contributions payable by the group during the year in accordance with FRS 102. Defined benefit pension funds have been accounted for as defined contribution schemes since these are multi-employer schemes and the group has been unable to identify its share of the underlying assets or liabilities of these funds.

### 3.12 *Funds*

Restricted funds are to be used for specified purposes as laid down by the donor. Expenditure which meets the criteria is identified to the fund, together with a fair allocation of overheads and support costs.

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

Designated funds are unrestricted funds earmarked by the Board for particular purposes.

### 3.13 *Provisions for liabilities*

Provisions for expenditure are included within the financial statements when it has been determined that there is a present obligation as a result of a past event, there is a probability that an amount will be payable and that a reliable estimate can be made of the obligation.

### 3.14 *Judgements and key sources of estimation uncertainty*

In the application of the group'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.



# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

*(forming part of the financial statements)*

### 4 Donations and Legacies

	2021 £	2020 £
Legacies	1,674,488	1,433,383
Donations	540,795	429,835
	<hr/>	<hr/>
	2,215,283	1,863,218
	<hr/>	<hr/>

The charity benefits greatly from the involvement and enthusiastic support of its many volunteers. In accordance with FRS 102 and the Charities SORP (FRS 102), the economic contribution of general volunteers is not recognised in the accounts.

### 5 Income from charitable activities

	2021 £	2020 £
Health authority contract	1,444,792	1,172,503
	<hr/>	<hr/>

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 6 Income from trading activities

#### Commercial operations

	2021 £	2020 £
Gross Income from shops	1,282,414	4,955,568
Gross Income from Lottery	678,021	680,048
	<hr/>	<hr/>
	1,960,435	5,635,616
	<hr/>	<hr/>

#### Fundraising

	2021 £	2020 £
Trusts and grants	84,258	121,651
Fundraising activities	413,808	698,635
	<hr/>	<hr/>
	498,066	820,286
	<hr/>	<hr/>

### 7 Covid-19 support grant income

	Group 2021 £	Group 2020 £
Grant income from NHS England	1,931,295	-
Job Retention Scheme grant income	987,903	-
Local Authority grant income	329,546	487,041
	<hr/>	<hr/>
	3,248,744	487,041
	<hr/>	<hr/>

### 8 Investment income

	Group 2021 £	Group 2020 £
Property	59,414	30,367
Bank interest	198	1,861
Listed investments	61,580	74,593
	<hr/>	<hr/>
	121,192	106,821
	<hr/>	<hr/>

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 9 Total expenditure - group

	Provision of care £	Raising funds £	Commercial trading expenses £	Support costs £	2021 Total £	2020 Total £
Staff costs	5,332,722	326,253	2,015,557	45,795	<b>7,720,327</b>	7,623,730
Patient care	32,070	-	-	-	<b>32,070</b>	79,914
Medical supplies & drugs	104,610	-	-	-	<b>104,610</b>	98,491
Catering & domestic supplies	64,838	-	-	-	<b>64,838</b>	78,257
Travel expenses	15,077	-	-	-	<b>15,077</b>	40,249
Training & education	33,220	-	-	-	<b>33,220</b>	50,680
Laundry	7,188	-	-	-	<b>7,188</b>	16,980
Electricity & Gas	51,711	-	-	-	<b>51,711</b>	46,547
Telephone	47,108	-	-	-	<b>47,108</b>	48,928
Rates and water	19,610	-	-	-	<b>19,610</b>	16,824
Uniforms	2,921	-	-	-	<b>2,921</b>	8,452
Printing, Postage and stationery	28,108	-	7,810	-	<b>35,918</b>	36,349
Insurance	27,336	-	-	-	<b>27,336</b>	28,114
Repairs and maintenance	102,887	-	-	-	<b>102,887</b>	117,368
Depreciation	147,430	-	127,990	-	<b>275,420</b>	293,063
Direct fundraising costs	-	34,570	-	-	<b>34,570</b>	128,595
Department fundraising costs	-	67,753	-	-	<b>67,753</b>	76,496
Banking charges	-	5,730	10,682	-	<b>16,412</b>	12,234
Administration charge	88,495	8,374	70,258	-	<b>167,127</b>	227,490
Audit and accountancy	-	-	-	15,146	<b>15,146</b>	14,505
Legal and professional fees	-	-	-	41,688	<b>41,688</b>	39,574
Irrecoverable VAT	-	9,105	-	-	<b>9,105</b>	9,472
Cost of sales	-	-	152,368	-	<b>152,368</b>	509,524
Shops operating expenses	-	-	1,057,468	-	<b>1,057,468</b>	1,331,396
Investment portfolio fees	-	21,127	-	-	<b>21,127</b>	22,357
Staff relocation & recruitment	-	-	18,860	-	<b>18,860</b>	22,838
	<b>6,105,331</b>	<b>472,912</b>	<b>3,460,993</b>	<b>102,629</b>	<b>10,141,865</b>	<b>10,978,427</b>

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 10 Expenditure – analysis of governance and support costs

The charity identifies those costs which relate to the governance function. These costs are displayed within note 9 and the statement of financial activities under “Support costs” and relate to the support costs of running the charities main charitable activity. Their detail along with basis of apportionment is shown in the table below:

	Governance function £	Basis of apportionment
Staff costs	35,066	Key management allocated on time
Audit and accountancy	15,146	Governance
Legal and professional	41,689	Governance
	<u>91,901</u>	

### 11 Net expenditure for the year

This is stated after charging the following:

	2021 £	2020 £
Auditors’ remuneration – audit (group)	15,146	14,505
Operating leases	661,460	680,361
Depreciation (group)	289,487	293,063
Amortisation (group)	4,139	4,139
	<u>950,232</u>	<u>1,092,068</u>

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

The average monthly head count of staff employed by the group (excluding Trustees) during the year was as follows:

	2021	2020
Staff and management	269	300
	<u>269</u>	<u>300</u>

The aggregate payroll costs of these persons were as follows:

	2021 £	2020 £
Wages and salaries	6,520,065	6,592,307
Social security costs	533,531	546,571
Other pension costs	510,866	459,852
Termination payments	155,865	25,000
	<u>7,720,327</u>	<u>7,623,730</u>

During the prior year the charity made non-contractual severance payments of £20,107. All amounts were fully paid at 31 March 2020.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### Analysis of staff costs, Trustee remuneration and expenses, and the cost of key management personnel (cont'd)

Other pension costs represent employer's defined contributions towards the employees NHS Scheme and the Standard Life Scheme. Board members received no remuneration during the year.

Nine employees had annualised emoluments for the year in excess of £60,000 and fell into the following bands:

	2021	2020
£60,000 to £70,000 – Director of Clinical Services, 3 Consultants, Head of HR	5	5
£70,000 to £80,000 – Finance Director, 1 x Consultant, 1 x Speciality Doctor	3	2
£80,000 to £90,000	-	-
£90,000 to £100,000 – Chief Executive	1	1
£100,000 to £110,000	-	-
£110,000 to £120,000	-	-

The key management personnel of the group comprise of the Chief Executive, Finance Director and Director of Clinical Services. The combined employee benefits of these three personnel totalled £308,237 (2019: £446,009, five personnel). Cornwall Hospice Care Limited is unlike other hospices in that the Charity employs consultants, who are paid at the NHS rate and therefore five (2020: four) of these consultants are included within the bandings above.

### 13 Pension costs

*Defined benefit scheme:*

*NHS pension scheme*

The charity contributes on behalf of its employees to the National Health Service pension scheme.

The NHS Pension Scheme is an unfunded, defined benefit scheme that covers NHS employers, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. As a consequence it is not possible for the charity to identify its share of the underlying scheme.

The pension cost charge for the period amounted to £254,811 (2020: £201,983).

Contributions amounting to £36,848 (2020: £30,907) were payable to the Fund at 31 March 2021 and are included in other creditors.

*Standard Life Scheme*

The charity operates a Group Personal Pension Scheme for those people not in the NHS Pension Scheme. The Scheme came into effect on 1 April 2008, and the charity makes voluntary contributions (currently up to 10% of salary) to the Scheme on behalf of each employee, as the Scheme Contract is between the employee and Standard Life.

*Auto Enrolment*

The charity is fully compliant with the auto enrolment legislation regarding pension schemes. The Standard Life Scheme was modified in April 2014 to incorporate the requirements of auto enrolment, and for those employees who are not members of the NHS Pension Scheme, offers to match employees' pension contributions up to a maximum of 5% (10% for Senior Executive Team) of salary, which exceeds the current minimum requirements under legislation.

The pension cost charge for the period amounted to £258,710 (2020: £257,868).

Contributions amounting to £36,637 (2020: £36,450) were payable to the Fund at 31 March 2021 and are included in other creditors.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 14 Related party transactions

The charity has taken advantage of the exemption available not to disclose intra-group related party transactions.

No trustee expenses have been incurred during the year (2020: £Nil).

### 15 Subsidiaries

The charity owns the whole of the issued ordinary share capital of Cornwall Hospice Care Trading Limited (registration number: 05724233) and Cornwall Hospice Care Lottery Limited (registration number: 05724116), both of which are registered in England and Wales. The subsidiaries operate the sale of bought in goods through the charity's shops and a lottery respectively. All activities have been consolidated on a line by line basis in the statement of financial activities.

Resource Kernow Newco Ltd is a dormant subsidiary that has remained dormant throughout the year.

A summary of the results of the subsidiaries is shown below:

	<b>Cornwall Hospice Care Trading Limited £</b>	<b>Cornwall Hospice Care Lottery Limited £</b>	<b>Resource Kernow Newco Ltd £</b>	<b>Total 2021 £</b>	<b>Total 2020 £</b>
<i>Per company accounts</i>					
Turnover	81,742	678,021	-	759,763	1,213,489
Cost of sales	(49,966)	(102,401)	-	(152,367)	(506,059)
Interest payable	-	-	-	-	-
Administrative expenses	(31,127)	(90,730)	-	(121,857)	(268,979)
Interest receivable	14	-	-	14	690
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	663	484,890	-	485,553	438,141
Amount distributed to the charity via Gift Aid	(61,178)	(802,963)	-	(864,141)	(440,742)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Result in the subsidiary	(60,515)	(318,073)	-	(378,588)	(2,601)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The assets and liabilities of the subsidiaries were:

	<b>Cornwall Hospice Care Trading Limited £</b>	<b>Cornwall Hospice Care Lottery Limited £</b>	<b>Resource Kernow Newco Ltd £</b>	<b>Total 2021 £</b>
<i>Per company accounts</i>				
Current assets	190,494	157,171	1	347,666
Current liabilities	(189,827)	(97,280)	-	(287,107)
	<hr/>	<hr/>	<hr/>	<hr/>
Total net assets	667	59,891	1	60,559
	<hr/>	<hr/>	<hr/>	<hr/>
Aggregate share capital and reserves	667	59,891	1	60,559
	<hr/>	<hr/>	<hr/>	<hr/>

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

*(forming part of the financial statements)*

### 16 Financial Performance of the charity

The consolidated statement of financial activities includes the results of the charity's wholly owned subsidiaries as highlighted in note 15.

The summary financial performance of the charity alone is:

	<b>Total 2021 £</b>	Total 2020 £
Income	<b>9,391,720</b>	9,160,409
Gift aid from subsidiaries	<b>864,141</b>	440,742
	<hr/> <b>10,255,861</b>	<hr/> 9,601,151
Expenditure on charitable activities	<b>9,926,037</b>	10,458,677
	<hr/> <b>329,824</b>	<hr/> (857,526)
<b>Net income/(expenditure)</b>		
Total funds brought forward	<b>8,695,215</b>	9,552,741
	<hr/> <b>9,025,039</b>	<hr/> 8,695,215
<b>Total funds carried forward</b>		
Represented by:		
Restricted funds	<b>750,198</b>	759,986
Unrestricted funds	<b>8,274,841</b>	7,935,229
	<hr/> <b>9,025,039</b>	<hr/> 8,695,215
<b>Total funds carried forward</b>		

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 17 Comparative period statement of financial activities

Consolidated	Unrestricted funds £	Restricted funds £	Total 2020 £
<b>Income</b>			
Donations & legacies	1,863,218	-	1,863,218
Income from Charitable Activities	1,172,503	-	1,172,503
<b>Income from Other Trading Activities:</b>			
Commercial trading operations	5,635,616	-	5,635,616
Fundraising	771,030	49,256	820,286
Covid-19 support income	487,041		487,041
Other income	228,072		228,072
Investment income	106,821	-	106,821
<b>Total Income</b>	<b>10,264,301</b>	<b>49,256</b>	<b>10,313,557</b>
<b>Expenditure</b>			
<b>Expenditure on raising funds</b>			
Commercial trading activities	4,405,925	-	4,405,925
Costs of generating donations and legacies	539,935	-	539,935
Investment portfolio fees	22,357	-	22,357
<b>Expenditure on charitable activities</b>			
Provision of care	5,845,594	68,794	5,914,388
Support costs	95,822	-	95,822
<b>Total Expenditure</b>	<b>10,909,633</b>	<b>68,794</b>	<b>10,978,427</b>
<b>Net losses on investments</b>	<b>(182,076)</b>	<b>-</b>	<b>(182,076)</b>
<b>Net expenditure</b>	<b>(827,408)</b>	<b>(19,538)</b>	<b>(846,946)</b>
<b>Transfers</b>			
Gross transfers between funds	-	-	-
<b>Other recognised gains and losses</b>			
Gain on disposal of fixed assets	2,637	-	2,637
Costs payable re pension contributions adjustment	(14,822)	-	(14,822)
	-	-	-
<b>Net movement in funds</b>	<b>(839,593)</b>	<b>(19,538)</b>	<b>(859,131)</b>
<b>Reconciliation of funds:</b>			
Fund balances brought forward	9,213,962	799,524	9,993,486
<b>Fund balances carried forward</b>	<b>8,374,369</b>	<b>759,986</b>	<b>9,134,355</b>



# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 18 Tangible fixed assets – company

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
<b>Cost or valuation</b>						
At 1 April 2020	5,807,411	1,120,085	842,363	184,143	269,869	8,223,871
Additions	-	86,948	67,228	17,218	1,648	173,042
Disposals	-	-	-	(12,950)	-	(12,950)
At 31 March 2021	5,807,411	1,207,033	909,591	188,411	271,517	8,383,963
<b>Depreciation</b>						
At 1 April 2020	2,011,657	834,659	665,754	114,792	166,421	3,793,283
Charge for the year	111,176	75,976	29,138	23,854	49,343	289,487
Released on disposal	-	-	-	(5,551)	-	(5,551)
At 31 March 2021	2,122,833	910,635	694,892	133,095	215,764	4,077,219
<b>Net book value</b>						
At 31 March 2021	3,684,578	296,398	214,699	55,316	55,753	4,306,744
At 31 March 2020	3,795,754	285,426	176,609	69,351	103,448	4,430,588

Freehold land and buildings includes land at cost of £121,020 (2020: £121,020) on which no depreciation is charged.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 19 Tangible fixed assets – group

	Freehold land and buildings £	Short leasehold improvements £	Equipment & fittings £	Motor vehicles £	IT Equipment & Software £	Total £
<b>Cost or valuation</b>						
At 1 April 2020	5,807,411	1,120,085	842,363	184,143	272,869	8,226,871
Additions	-	86,948	67,228	17,218	1,648	173,042
Disposals	-	-	-	(12,950)	-	(12,950)
At 31 March 2021	5,807,411	1,207,033	909,591	188,411	274,517	8,386,963
<b>Depreciation</b>						
At 1 April 2020	2,011,657	834,659	665,754	114,792	169,421	3,796,283
Charge for the year	111,176	75,976	29,138	23,854	49,343	289,487
Released on disposal	-	-	-	(5,551)	-	(5,551)
At 31 March 2021	2,122,833	910,635	694,892	133,095	218,764	4,080,219
<b>Net book value</b>						
At 31 March 2021	3,684,578	296,398	214,699	55,316	55,753	4,306,744
At 31 March 2020	3,795,754	285,426	176,609	69,351	103,448	4,430,588

Freehold land and buildings includes land at cost of £121,020 (2019: £121,020) on which no depreciation is charged.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 20 Intangible assets

	Goodwill £	Total £
<b>Cost or valuation</b>		
At 1 April 2020	12,417	12,417
Additions	-	-
Disposals	-	-
	<hr/>	<hr/>
At 31 March 2021	12,417	12,417
	<hr/>	<hr/>
<b>Depreciation</b>		
At 1 April 2020	8,278	8,278
Charge for the year	4,139	4,139
Released on disposal	-	-
	<hr/>	<hr/>
At 31 March 2021	12,417	12,417
	<hr/>	<hr/>
<b>Net book value</b>		
At 31 March 2021	-	-
	<hr/>	<hr/>
At 31 March 2020	4,139	4,139
	<hr/>	<hr/>

### 21 Investments

	Freehold investment property £	Investment in subsidiary undertakings £	Investment portfolio £	Company 2021 £	Group 2021 £
At 1 April 2020	516,641	5	2,888,439	3,405,085	3,405,085
Additions at cost	-	-	634,155	634,155	634,155
Disposals	-	-	(833,916)	(833,916)	(833,916)
Unrealised gains/(losses)	-	-	406,025	406,025	406,025
Realised gains/(losses)	-	-	294	294	294
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	516,641	5	3,094,997	3,611,643	3,611,643
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The freehold investment property at 5-7 Fore Street, St Austell was last revalued on an open market basis on 25 April 2019 by Scott Burrige Commercial. The Trustees consider the valuation appropriate at the year end.

The cost of the above listed investments at 31 March 2021 was £2,924,542 (2020: £3,094,530). The cost of the freehold investment properties amounts to £668,875 (2020: £668,875).

#### Carrying amount of financial assets

	2021 £	2020 £
Instruments measured at fair value through profit or loss	3,094,997	2,888,439
	<hr/>	<hr/>

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 22 Stocks

	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
Goods for resale	12,079	95,129	12,079	96,466
Drugs, medical supplies etc.	8,500	8,500	8,500	8,500
Maintenance stocks	400	400	400	400
	<u>20,979</u>	<u>104,029</u>	<u>20,979</u>	<u>105,366</u>

### 23 Debtors

	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
Recoverable income tax	-	-	51,130	51,130
VAT recoverable	50,967	49,778	73,999	63,697
Amounts owed by group undertakings	196,701	-	98,314	-
Other debtors	51,814	52,819	48,658	48,658
Prepayments and accrued income	995,948	995,948	1,335,606	1,337,350
	<u>1,295,430</u>	<u>1,098,545</u>	<u>1,607,707</u>	<u>1,500,835</u>

### 24 Creditors: amounts falling due within one year

	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
Trade creditors	138,557	141,107	134,574	147,837
Other creditors	98,068	98,280	215,752	220,001
Other taxation and social security	135,893	135,775	136,652	137,577
Amounts owed to group undertakings	-	-	298,990	-
Accruals	166,660	182,617	94,706	129,258
Deferred income (note 25)	10,680	81,294	10,259	79,209
	<u>549,858</u>	<u>639,073</u>	<u>890,933</u>	<u>713,882</u>

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 25 Deferred income

	Company 2021 £	Group 2021 £	Company 2020 £	Group 2020 £
At 1 April 2020	10,259	79,209	16,906	86,704
Released to income in year	(6,491)	(75,441)	(13,138)	(82,935)
Deferred in year	6,912	77,526	6,491	75,440
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 March 2021</b>	<b>10,680</b>	<b>81,294</b>	<b>10,259</b>	<b>79,209</b>
	<hr/>	<hr/>	<hr/>	<hr/>

### 26 Contingent assets

At 31 March 2021, the Charity had been notified of legacies receivable totalling an estimated £4.3m (2020: £1.1m) that are not included in the Statement of Financial Activities because the conditions for recognition have not been met.

In addition, the Charity has assets bequeathed to it totalling an estimated £196k (2020: £196k) which are subject to a life tenancy interest held by a third party.

### 27 Restricted funds

#### The Company and the Group

	Project Appeal Fund £	Bed Purchase Fund	NHSE Covid-19 support grant	Total £
At 1 April 2020	759,986	-	-	759,986
Income	-	10,000	1,931,295	1,941,295
Expenditure	(19,538)	(250)	(1,931,295)	(1,951,083)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 March 2021</b>	<b>740,448</b>	<b>9,750</b>	<b>-</b>	<b>750,198</b>
	<hr/>	<hr/>	<hr/>	<hr/>

The Project Appeal Fund represents grant funding from the Department of Health and public appeal monies received towards the capital project at St Julia's Hospice to provide new Out-Patient facilities which was completed early in 2013. Depreciation on this fund of £19,538 is charged to reserves annually.

The Bed Purchase Fund reflect £10,000 donated in contribution to bed purchases for each unit. Two beds for each unit were purchased in December 2020 for a total cost of £19,000. Depreciation on these beds of £1,000 is charged to reserves annually.

The NHSE Covid-19 support grant fund reflects funding received from the NHSE. The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose. The full amount of funding made available was spent during the year on maintaining capacity and community support.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 28 Unrestricted funds

	[-----Designated Funds-----]					
	Capital Fund	Revaluation Reserve	Future Service Develop fund	Future deficit fund	General Reserve	Total
(a) The Company	£	£	£	£	£	£
At 1 April 2020	3,670,602	-	474,706	64,500	3,725,421	7,935,229
(Deficit)/surplus for the year	-	-	(168,267)	-	507,879	339,612
Transfer	(114,056)	170,455	-	(64,500)	8,101	-
<b>At 31 March 2021</b>	<b>3,556,546</b>	<b>170,455</b>	<b>306,439</b>	<b>-</b>	<b>4,241,401</b>	<b>8,274,841</b>
[-----Designated Funds-----]						
	Capital Fund	Revaluation reserve	Future Service Develop fund	Future deficit fund	General Reserve	Total
	£	£	£	£	£	£
At 1 April 2020	3,674,741	-	474,706	64,500	4,160,422	8,374,369
(Deficit)/surplus for the year	-	-	(168,267)	-	129,299	(38,968)
Transfer	(118,195)	170,455	-	(64,500)	12,240	-
<b>At 31 March 2021</b>	<b>3,556,546</b>	<b>170,455</b>	<b>306,439</b>	<b>-</b>	<b>4,301,961</b>	<b>8,335,401</b>

(forming part of the financial statements)

[-----Designated Funds-----]

-----Designated Funds-----

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

*(forming part of the financial statements)*

### 28 Unrestricted funds (continued)

The designated Capital Funds represent fixed assets (being predominantly Mount Edgcumbe Hospice and St Julia's Hospice) that are not funded through the restricted Capital Funds (note 27).

The Future Services Developments Fund of £306,439 represents funds designated by the Board for the expansion of community services over the next two years.

The Future Development Capital Fund was to reflect the cost of capital improvements at St Julia's Hospice. This work has been undertaken and as such, the fund has been released.

The Future Deficit Fund represents the forecast deficit in 20/21 less the amount of budgeted expenditure on community services.

### 29 Analysis of net assets between funds

Consolidated fund balances at 31 March 2021 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,556,546	750,198	4,306,744
Investments	3,611,643	-	3,611,643
Current assets	1,806,285	-	1,806,285
Current liabilities	(639,073)	-	(639,073)
	<hr/>	<hr/>	<hr/>
	<b>8,335,401</b>	<b>750,198</b>	<b>9,085,599</b>
	<hr/>	<hr/>	<hr/>

Consolidated fund balances at 31 March 2020 are represented by:

	Unrestricted funds £	Restricted funds £	Total £
Fixed assets	3,674,741	759,986	4,434,727
Investments	3,405,080	-	3,405,080
Current assets	2,008,430	-	2,008,430
Current liabilities	(713,882)	-	(713,882)
	<hr/>	<hr/>	<hr/>
	<b>8,374,369</b>	<b>759,986</b>	<b>9,134,355</b>
	<hr/>	<hr/>	<hr/>



# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 30 Commitments

#### Operating leases

The total amount of other financial commitments not provided in the financial statements was:

	Land & buildings		Land & buildings	
	Company	Group	Company	Group
	2021	2021	2020	2020
	£	£	£	£
Expiring within 1 year	415,424	415,424	395,116	395,116
Expiring 2 - 5 years	982,585	982,585	937,807	937,807
Expiring in more than five years	375,313	375,313	340,033	340,033
	<u>1,773,322</u>	<u>1,773,322</u>	<u>1,672,956</u>	<u>1,672,956</u>
	<u><u>1,773,322</u></u>	<u><u>1,773,322</u></u>	<u><u>1,672,956</u></u>	<u><u>1,672,956</u></u>
	Other		Other	
	Company	Group	Company	Group
	2021	2021	2020	2020
	£	£	£	£
Expiring within 1 year	45,725	45,725	45,725	45,725
Expiring 2-5 years	2,638	2,638	40,844	40,844
	<u>48,363</u>	<u>48,363</u>	<u>86,569</u>	<u>86,569</u>
	<u><u>48,363</u></u>	<u><u>48,363</u></u>	<u><u>86,569</u></u>	<u><u>86,569</u></u>

### 31 Contingent liabilities

The charity is a member of a VAT group and as such is jointly liable for any outstanding liability. The amount owed by the group at the year-end was £nil (2020: £nil).

### 32 Ultimate controlling party

The ultimate controlling party of the charity are the members.

### 33 Related party transactions

There were no related party transactions during the year. No amounts were owed to or from the charity, in respect of related parties, at the year end.

# Cornwall Hospice Care Limited (Limited by Guarantee)

## Notes

(forming part of the financial statements)

### 34 Reconciliation of operating deficit to net cash flow from operating activities

	2021 £	2020 £
Net expenditure per statement of financial activities	(48,756)	(859,131)
(Gains)/losses on investments	(406,319)	182,076
Investment income	(121,192)	(106,821)
Less profit on sale of assets	(1,240)	(2,637)
Add back depreciation charge	293,626	297,202
Decrease in stocks	1,337	72,666
Decrease in debtors	402,290	(539,688)
(Decrease)/increase in creditors	(74,809)	9,331
	<hr/>	<hr/>
<b>Net cash provided by/(used in) operating activities</b>	<b>44,937</b>	<b>(947,002)</b>
	<hr/>	<hr/>

### Analysis of net debt

	1 April 2020 £	Cash flows £	31 March 2021 £
Cash at bank and in hand	402,229	201,482	603,711
	<hr/>	<hr/>	<hr/>