

REGISTERED COMPANY NUMBER: 05437976 (England and Wales)
REGISTERED CHARITY NUMBER: 1117564

SHALOM HOUSE
REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

SHALOM HOUSE

CONTENTS OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

	Page
Report of the Trustees	1 to 7
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10 to 11
Notes to the Financial Statements	12 to 25

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2021. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

The report of the trustees also incorporates a directors' report as required by company law.

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objectives of Shalom House are to establish and maintain a Palliative Care Centre, for the communal benefit of the inhabitants of Pembrokeshire, there being no such similar facility in place at present.

Shalom House is a non-profit making organisation, providing a high quality professional service for people with terminal illness (including cancer and any progressive life-limiting diseases) in an environment of tranquillity and support. The aims of Shalom House are:

- To provide day care and respite to patients and carers, ultimately to contribute to a possible reduction/prevention of acute or unplanned hospital admissions;
- To enable patients to manage their diagnosis to do the things that matter to them and to make their lives more comfortable than they would otherwise have been;
- To work in partnership with other providers of palliative care to enable adult patients to manage their condition and remain at home until end of life, should they wish.

The mission of Shalom House is:

- To provide accessible, excellent, holistic palliative care to relieve suffering, whether physical, emotional, spiritual or psychological, to all residents of Pembrokeshire diagnosed with a life-limiting illness, catering to the individual needs of clients, whatever they may be;
- To be a place of respite that offers a safe place to share all worries and let go of anxieties, albeit briefly, and to benefit from the many skills and expertise the Shalom staff has to offer. Professional staff and volunteers support both clients and their families throughout their journey, often making a real difference by providing a haven of care and nurture;
- To support relatives as they provide care to their loved ones and ultimately to support them through bereavement.

REPORT OF THE TRUSTEES
FOR THE YEAR ENDED 31 MARCH 2021

OBJECTIVES AND ACTIVITIES

Ethos and Philosophy

- Shalom provides a place of safety.
- Shalom is never too busy to listen and care.
- Pain and suffering are not inevitable - skilled and trained staff are available to help and advise.
- Shalom is honest, open, available and confidential.
- Death is not a failure - it is a natural end point of life's winning pathway and can occur with love and dignity.
- Shalom expresses peace, which is important to every patient along with the total wellbeing of the individual and holistic care is essential.
- Shalom House provides palliative care and respite free of charge for all. Patients come to Shalom House at any time from their diagnosis and patients are referred from GP's, hospital, the community or self-referred by the patients themselves.
- Shalom is an equal opportunity organisation and is committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability.
- Shalom House is committed to safeguarding the welfare of patients and the staff and volunteers share in this commitment. Shalom House policies and procedures protect and provide guidelines on this assurance.

Public benefit

In setting Shalom House's objectives and aims and in planning their activities, the Trustees have given careful consideration to the Charities Commission's general guidance on public benefit. Shalom's key objectives for the year included:

- to continue to develop daytime palliative care with especial emphasis on pain and symptom control, occupational therapy, complementary therapies and input from experienced palliative care nurses, having regard to the particular and individual needs of patients;
- to increase palliative care services and their uptake by developing focus days and carer support days to provide a wider range of support to the terminally ill and their families throughout Pembrokeshire;
- to develop and promote the awareness of GP's and other health professionals to the services provided;
- to increase the range and ease of access to Shalom House services across Pembrokeshire;
- to employ appropriately experienced staff to manage and deliver the service and to develop their training portfolios;
- to establish a clear role within the Hywel Dda Health Board strategy, working in partnership with the local District General Hospital and other third sector providers;
- to work to standards set by Healthcare Inspectorate Wales (HIW);
- to increase fundraising from charitable and grant sources to support Shalom's activities and to continue to develop the hospice shops for the purpose of income and developing public awareness of the work of Shalom House.

Following lockdown due to COVID-19 in March 2020

Shalom House's objectives were supplemented following closure of the day centre due to lockdown mid March 2020:

- to maintain support to patients following lockdown due to Covid-19, whilst ensuring their safety and that of the staff;
- to obtain alternative sources of funds due to the temporary cessation of trading and fundraising activities.

SHALOM HOUSE (REGISTERED NUMBER: 05437976)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

ACHIEVEMENT AND PERFORMANCE

Charitable activities

Shalom House opened for service provision on 23 November 2007 after the successful adaptation of the building and gradually developed its function to offer day, respite and a palliative care service to patients and their relatives. At present, Shalom House offers a palliative day care service to between 4 to 6 patients per day, a lower number due to the current pandemic restrictions, Monday to Friday. Alongside the traditional day care support we provide personal care sessions and are aiming to restart the special interest days within the very near future as conditions allow.

During the year ending 31 March 2020, Shalom House received quarterly funding from Hywel Dda Local Health Board within the provisions of a Service Level Agreement effective from April 2019. Following lockdown in March 2020, systems were put in place urgently to support patients and their families remotely at home, soon followed by home visits by our registered staff when it became clear that Shalom House staff were not needed for re-deployment by the Health Board. Other support staff were furloughed and costs reduced as much as possible.

Judith Thomas worked hard in her role as Business Manager, seeking out grants and funding over the pandemic to allow Shalom House to continue its good works wherever it could. The decision was made to register with Care Inspectorate Wales (CIW) and this was achieved in October 2020. With the support of our CIW registration we are now able to provide hospice at home services within the county of Pembrokeshire.

To support the decision to further develop Shalom Houses ability to respond sensitively, providing a tailored service to those needing support during restrictions, both recent and possible upcoming, Donna Humphrey was employed as Registered Care Manager.

Judith Thomas retired in November 2020 and Samantha Wilson-Croft has been employed as Shalom Houses Business Manager, heading up all fundraising, volunteering, grants, and business aspects. In November 2020, Isobel Bowen stepped down from her role as Clinical Lead, and returned to the Registered Nurses Team. The management team are supported by registered nurses, health care assistants (registered with Social Care Wales), a small bank staff team of nurses and healthcare assistants, administrator and shop volunteers and volunteer drivers.

We continue to rely on a group of volunteers who support the activities at Shalom House. Due to Covid 19 restrictions, we have had to limit those attending Shalom House each day, so our in-house volunteering has not returned to Shalom House but as things continue to improve, we wish to reengage with Shalom House volunteers. Since lockdown, volunteers have been involved in virtual meetings to keep them engaged and up to date with the strategic discussions. The Trustees and staff appreciate the commitment given by all the volunteers.

In house patient satisfaction surveys have rated the service at Shalom House 98%+ throughout the year. We continue to monitor our activities closely, responding to suggested changes where feasible and appropriate.

Links continue to be forged with the Palliative Care Consultant at Withybush General Hospital and the wider Palliative Strategic Forum for Hywel Dda along with our partners in the third sector. Shalom House staff attend team meetings at the hospital and local GP practice. We have been playing a active role in Hywel Dda's Health Boards review of Palliative care services.

In November 2019 a new hospice shop in St Davids was opened building on the success of the shop in Fishguard and to promote our presence within the City community. After a positive start, hopes for an income surge onwards from the Easter holiday period were dashed by the Covid-19 lockdown and this continued into 2021.

The shops are staffed by a team of volunteers who work tirelessly to maintain image and presentation, also providing information on the work of the hospice and supporting other fundraising initiatives. We have worked hard to develop better links with the local community. In these uncertain times we are supporting volunteers to return to the shops when able, with the confidence and skills to work in a Covid 19 safe environment.

SHALOM HOUSE (REGISTERED NUMBER: 05437976)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

With the support from the End-of-Life board we have been able to purchase a wheelchair accessible car. This is used for patient transport within the community and as circumstances change, we hope to encourage volunteers into a driver role to support patients to attend Shalom House. The reassurance of travel within a secure vehicle has been a boost for patients and staff, enabling us to continue Shalom House's good work at all times.

FINANCIAL REVIEW

Financial position

The figures relate to the financial year from 1 April 2020 until the 31 March 2021. This year was an unprecedented year with restrictions from Covid 19, which meant the closure of both Shalom House and the charity shops for a majority of the year.

Total incoming resources for the year amounted to £244,721 (2020: £202,548). Resources expended amount to £273,431 (2020: £262,807). The net deficit for the year before the revaluation of the investment is £28,710 (2020: £60,259). The net deficit for the year after the revaluation of the investment is £688 (2020: £71,956).

The net reserves at the balance sheet date are £682,582 (2020: £683,270) of unrestricted funds.

Shalom House is operating against a background of continually rising costs, especially payroll related, and increasing competition for donated and other charitable funds, as well as the constant possibility of future Government lockdowns from Covid 19.

Principal funding sources

The charity's principal source of funds is through the Service Level Agreement with Hywel Dda Local Health Board. The Service Level Agreement for the year ended 31 March 2021 saw a reduction of 50% in the grant from the previous period, setting an attendance target of 1500 at a day care tariff rate. The advance of Covid 19 and ultimate lockdown on 23 March 2020, significantly impacted Shalom House's attendance figures during February and March 2020. The centre had no alternative other than to close, together with its retail operations, in mid March 2020 and was not able to open until September. The shops were open until December and then closed again until February 2021 having an immediate impact on funding streams. The current SLA agreement has been extended until the end of March 2022.

A grant was awarded by WCVA. This allowed us to put in place measures that enabled us to reopen both the day centre and the shops safely. The grant was put towards the purchase of leather recliners and screens, allowing the creation of "Pods" in the day centre, ensuring the safety of the patients and the team. We purchased screens for the retail outlets that lead to increased confidence in the volunteers to return to the shops. We were also able to purchase extensive supplies of covid cleaning equipment and were able to support staff working in the community.

Reserves policy

The Charity will need to expend substantial sums in future periods in order to maintain and develop its services. A formal reserves policy has been formulated whereby the sum of £150,000 has been ringfenced as a designated contingency reserve. This is broadly equivalent to 6 months operating costs and will be reviewed annually to maintain the reserve at this ratio as a minimum.

Additional reserves, which have been accumulated mainly from a substantial legacy received in 2015, are being utilised to support service delivery in the light of reductions in levels of support from statutory funds.

SHALOM HOUSE (REGISTERED NUMBER: 05437976)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

FUTURE PLANS

The intention of Hywel Dda University Health Board to move to a commissioning model provides no guarantees for future funding, rendering longer term strategic planning difficult. It is envisaged that the proposed diversification of services, whilst supporting the Palliative Care Unit as a priority, will leave Shalom House well placed to tender for future funds.

A review began in February 2020 involving all Trustees and staff to consider the strategic direction of Shalom House, given the forecast increase in costs and likely reductions in income in the short to medium term. It was agreed that Shalom House should concentrate on activities to support patients to Live Well, to broaden care in the community including the development of the hospice at home service for our patients and instigate a more targeted approach to fundraising and income generation. At the same time, the focus of Shalom House will continue to be the provision of palliative care within the day centre. A key factor was registration with CIW as a Domiciliary Service and this was achieved in October 2020.

It is the intention of the Trustees, as current guardians of the legacy of Shalom House, to strive to maintain relevant and effective support services, within the framework of a planned income generation policy.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Shalom House is controlled by its governing document, the Memorandum and Articles of Association and is a limited company, limited by guarantee, as defined by Companies Act 2006.

Shalom House was registered with the Charities Commission on 12 January 2007. The governing documents are held at the registered office.

Recruitment and appointment of new trustees

Trustees are appointed at the Annual General Meeting. They are recruited through contact with other trustees and through charitable events.

Organisational structure

The governing body is the Board of Trustees, who are non-executive, unpaid and meet at regular intervals during the year. The day to day activities are managed by the Business Manager, also acting as Clerk to the Trustees, the Clinical Lead, registered nurses, an occupational therapist, health care assistants, a cook, an administrator and a Management Committee comprising:

Chair	Mr W Preece
Other Members	Mrs E Thomas
	Dr R Schofield
	Mr E Scott
	Mrs B Caulfield

Induction and training of new trustees

There is no formal induction or training process for trustees as the skills and knowledge of trustees varies. New trustees are provided with a description of their expected role and responsibilities, which ensures trustees are aware of their legal obligations under charity and company law. They are briefed by the Chair and Business Manager on historic and prevailing strategic issues.

All trustees give of their time freely and no remuneration or expenses were paid in the year.

SHALOM HOUSE (REGISTERED NUMBER: 05437976)

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

STRUCTURE, GOVERNANCE AND MANAGEMENT

Risk management

The trustees have a duty to identify and review the risks to which Shalom House is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error. Risk assessment and the management of risk is a continuous process, with all areas being addressed as required. Risk management is a standing agenda item of each board meeting and features in the report provided to the board by the Business Manager prior to each meeting.

The key strategic risks facing Shalom House have been identified as Governance and Management, Reputational and Commercial. The board and its committee have been tasked with identifying and examining the major risks relevant to their area of influence. The trustees risk management strategy comprises:

- an annual review (as a minimum) of the risks Shalom House may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures and processes designed to minimise any potential impact on Shalom House, should those risks materialise.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number
05437976 (England and Wales)

Registered Charity number
1117564

Registered office
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

Trustees
Mr J W G Preece Chair
Mrs E Thomas
Mr E P Scott
Dr R P Schofield
Mrs B M Caulfield

Independent Examiner
Stuart Harries FCA ACCA
Independent Examiner
Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

SHALOM HOUSE

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 MARCH 2021

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by order of the board of trustees on 22nd Nov '21 and signed on its behalf by:



.....
Mr J W G Preece - Trustee

INDEPENDENT EXAMINER'S REPORT TO THE TRUSTEES OF SHALOM HOUSE

Independent examiner's report to the trustees of Shalom House ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2021.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:-

1. accounting records were not kept in respect of the Company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Stuart Harries FCA ACCA
Independent Examiner
Carr, Jenkins & Hood
Redwood Court
Tawe Business Village
Swansea
SA7 9LA

Date: 22/11/2021

SHALOM HOUSE

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2021

		Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
	Notes				
INCOME AND ENDOWMENTS FROM					
Donations and legacies	3	30,266	3,140	33,406	50,296
Charitable activities	6				
Care and respite		173,846	17,790	191,636	101,280
Other trading activities	4	19,351	-	19,351	50,946
Investment income	5	28	-	28	26
Other income		300	-	300	-
Total		223,791	20,930	244,721	202,548
EXPENDITURE ON					
Raising funds	7	34,259	-	34,259	29,619
Charitable activities	8				
Care and respite		218,242	20,930	239,172	233,188
Total		252,501	20,930	273,431	262,807
Net gains/(losses) on investments		28,022	-	28,022	(11,697)
NET INCOME/(EXPENDITURE)		(688)	-	(688)	(71,956)
RECONCILIATION OF FUNDS					
Total funds brought forward		683,270	-	683,270	755,226
TOTAL FUNDS CARRIED FORWARD		682,582	-	682,582	683,270

The notes form part of these financial statements

SHALOM HOUSE (REGISTERED NUMBER: 05437976)

BALANCE SHEET 31 MARCH 2021

	Notes	Unrestricted funds £	Restricted fund £	2021 Total funds £	2020 Total funds £
FIXED ASSETS					
Tangible assets	16	262,496	132,321	394,817	382,821
Investments	17	334,275	-	334,275	306,252
		<u>596,771</u>	<u>132,321</u>	<u>729,092</u>	<u>689,073</u>
CURRENT ASSETS					
Debtors	18	30,835	-	30,835	22,004
Cash at bank and in hand		79,696	-	79,696	123,661
		<u>110,531</u>	<u>-</u>	<u>110,531</u>	<u>145,665</u>
CREDITORS					
Amounts falling due within one year	19	(24,720)	(9,388)	(34,108)	(37,643)
		<u>85,811</u>	<u>(9,388)</u>	<u>76,423</u>	<u>108,022</u>
NET CURRENT ASSETS					
		<u>85,811</u>	<u>(9,388)</u>	<u>76,423</u>	<u>108,022</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>682,582</u>	<u>122,933</u>	<u>805,515</u>	<u>797,095</u>
ACCRUALS AND DEFERRED INCOME	21	-	(122,933)	(122,933)	(113,825)
		<u>682,582</u>	<u>-</u>	<u>682,582</u>	<u>683,270</u>
NET ASSETS		<u>682,582</u>	<u>-</u>	<u>682,582</u>	<u>683,270</u>
FUNDS	22				
Unrestricted funds:					
General fund				495,307	524,018
Fair value reserve				37,275	9,252
Designated contingency fund				150,000	150,000
				<u>682,582</u>	<u>683,270</u>
TOTAL FUNDS				<u>682,582</u>	<u>683,270</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2021.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2021 in accordance with Section 476 of the Companies Act 2006.

The notes form part of these financial statements

SHALOM HOUSE

BALANCE SHEET - continued 31 MARCH 2021

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

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

The financial statements were approved by the Board of Trustees and authorised for issue on 22/11/21 and were signed on its behalf by:


.....

Mrs E Thomas - Trustee

The notes form part of these financial statements

1. STATUTORY INFORMATION

Shalom House is a private company, limited by guarantee without share capital, registered in England and Wales. The registered office address can be found in the report of the trustees.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

Shalom House meets the definition of a public benefit entity under FRS 102.

Going concern

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

Financial reporting standard 102 - reduced disclosure exemptions

The charitable company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland':

- the requirements of Section 7 Statement of Cash Flows.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and the amount can be measured reliably.

Donations and voluntary income are accounted for when receivable.

Income from government and other grants, whether 'capital' or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably. Grants received in advance are deferred and recognised in future accounting periods.

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

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

2. ACCOUNTING POLICIES - continued

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

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

Allocation and apportionment of costs

Costs are allocated between direct charitable and support expenditure according to the nature of the cost. Where items involve more than one category they are apportioned between the categories on a basis consistent with the use of resources.

Tangible fixed assets

Tangible fixed assets other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Freehold land	- Freehold land is not depreciated
Freehold property	- 50 years straight line
Plant and machinery	- 5 years straight line
Fixtures, fittings and equipment	- 7 to 10 years straight line
Computer equipment	- 3 years straight line

Taxation

Shalom House is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK Corporation Tax purposes.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

Creditors and provisions

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

Pension costs and other post-retirement benefits

The charity operates a defined contribution pension scheme. Contributions payable to the charity's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

2. ACCOUNTING POLICIES - continued

Cash at bank and in hand

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Financial instruments

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

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- At fair value with changes recognised in Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably;
- At cost less impairment for all other investments.

3. DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	25,266	41,456
Legacies	5,000	5,700
Deferred income released	3,140	3,140
	<u>33,406</u>	<u>50,296</u>

Income from donations and legacies was £33,406 (2020: £50,296) of which £3,140 (2020: £3,140) was attributable to restricted funds and £30,266 (2020: £47,156) was attributable to unrestricted funds.

4. OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising events	10,878	17,530
Shop income	8,473	33,416
	<u>19,351</u>	<u>50,946</u>

Income from trading activities was wholly attributable to unrestricted funds in 2021 and 2020.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

5. INVESTMENT INCOME

	2021 £	2020 £
Deposit account interest	28	26

6. INCOME FROM CHARITABLE ACTIVITIES

	2021 Care and respite £	2020 Total activities £
Grants	191,636	101,280

Income from charitable activities was £191,636 (2020: £101,280) of which £17,790 (2020: £21,809) was attributable to restricted funds and £173,846 (2020: £79,471) was attributable to unrestricted funds.

Grants received, included in the above, are as follows:

	2021 £	2020 £
Hywel Dda Funding For Palliative Care Services	34,974	69,999
WAG End of Life Board	24,472	8,500
Pembrokeshire County Council	-	21,809
HMRC Job Retention Scheme	27,078	972
COVID Support	42,000	-
PAVS	18,232	-
WCVA	40,341	-
Screwfix Foundation	4,539	-
	191,636	101,280

7. RAISING FUNDS

Raising donations and legacies

	2021 £	2020 £
Staff costs	8,684	11,702
Consultancy fees	9,975	-
	18,659	11,702

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

7. RAISING FUNDS - continued

Other trading activities

	2021 £	2020 £
Purchases	1,028	3,926
Shop rates	472	103
Shop insurance	249	724
Shop light and heat	(376)	2,640
Shop rent	10,983	9,520
Shop repairs and maintenance	2,138	137
Shop sundry expenses	999	740
Shop consumables	11	80
Shop bank charges	96	47
	<u>15,600</u>	<u>17,917</u>
Aggregate amounts	<u>34,259</u>	<u>29,619</u>

8. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 9) £	Support costs (see note 10) £	Totals £
Care and respite	<u>172,722</u>	<u>66,450</u>	<u>239,172</u>

£20,930 (2020: £24,949) of the above costs were attributable to restricted funds. £218,242 (2020: £208,329) of the above costs were attributable to unrestricted funds.

9. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2021 £	2020 £
Staff costs	116,352	129,984
Advertising	1,660	-
Kitchen costs	27	5,152
Medical & PPE supplies	4,801	324
Travel and subsistence	745	3,673
Rates and water	267	1,108
Insurance	3,970	3,730
Light and heat	3,868	4,411
Telephone	2,537	1,890
Postage and stationery	2,434	1,256
Sundry expenses	2,080	2,385
Repairs and maintenance	12,410	26,227
Cleaning	1,363	504
Website costs	1,027	1,370
Carried forward	<u>153,541</u>	<u>182,014</u>

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

9. DIRECT COSTS OF CHARITABLE ACTIVITIES - continued

	2021 £	2020 £
Brought forward	153,541	182,014
Counselling sessions	3,700	-
Motor expenses	969	-
Legal and professional fees	995	-
Depreciation	13,517	7,708
	<u>172,722</u>	<u>189,722</u>

10. SUPPORT COSTS

Governance costs

	£
Care and respite	<u>66,450</u>

Support costs, included in the above, are as follows:

Governance costs

	2021 Care and respite £	2020 Total activities £
Wages	45,780	26,753
Social security	2,638	978
Pensions	6,153	2,504
Independent examiners remuneration	3,500	3,500
Independent examiners remuneration for other work	4,216	4,930
Rates and water	30	123
Insurance	441	414
Light and heat	430	490
Telephone	282	210
Postage and stationery	270	140
Advertising	184	-
Legal and professional fees	11	-
Sundry expenses	231	265
Repairs and maintenance	1,379	2,914
Cleaning	151	56
Website costs	114	152
Bank charges	6	-
Depreciation of tangible fixed assets	634	37
	<u>66,450</u>	<u>43,466</u>

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

11. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	2021	2020
	£	£
Examination of the financial statements	3,500	3,500
Other services	4,216	4,930
Depreciation - owned assets	14,151	7,744
Surplus on disposal of fixed assets	(300)	-
	<u>21,567</u>	<u>16,174</u>

12. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2021 nor for the year ended 31 March 2020.

Trustees' expenses

There were no trustees' expenses paid for the year ended 31 March 2021 nor for the year ended 31 March 2020.

13. STAFF COSTS

	2021	2020
	£	£
Wages and salaries	155,455	148,599
Social security costs	5,517	5,531
Other pension costs	18,635	17,791
	<u>179,607</u>	<u>171,921</u>

The average monthly number of employees during the year was as follows:

	2021	2020
Care and respite	8	9
Administration	2	2
	<u>10</u>	<u>11</u>

No employees received emoluments in excess of £60,000.

The total employee benefits of the key management personnel of the charity were £93,498 (2020: £99,419).

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

14. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	47,156	3,140	50,296
Charitable activities			
Care and respite	79,471	21,809	101,280
Other trading activities	50,946	-	50,946
Investment income	26	-	26
Total	177,599	24,949	202,548
EXPENDITURE ON			
Raising funds	29,619	-	29,619
Charitable activities			
Care and respite	208,239	24,949	233,188
Total	237,858	24,949	262,807
Net gains/(losses) on investments	(11,697)	-	(11,697)
NET INCOME/(EXPENDITURE)	(71,956)	-	(71,956)
RECONCILIATION OF FUNDS			
Total funds brought forward	755,226	-	755,226
TOTAL FUNDS CARRIED FORWARD	683,270	-	683,270

15. INDEPENDENT EXAMINERS REMUNERATION

	2021 £	2020 £
Examination of the financial statements	3,500	3,500
Other services	4,216	4,930
	7,716	8,430

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

16. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 April 2020	453,492	48,531	45,503
Additions	-	5,547	-
Disposals	-	-	(7,350)
At 31 March 2021	453,492	54,078	38,153
DEPRECIATION			
At 1 April 2020	73,320	46,385	45,472
Charge for year	6,070	2,284	27
Eliminated on disposal	-	-	(7,350)
At 31 March 2021	79,390	48,669	38,149
NET BOOK VALUE			
At 31 March 2021	374,102	5,409	4
At 31 March 2020	380,172	2,146	31
	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 April 2020	-	6,227	553,753
Additions	15,995	4,605	26,147
Disposals	-	-	(7,350)
At 31 March 2021	15,995	10,832	572,550
DEPRECIATION			
At 1 April 2020	-	5,755	170,932
Charge for year	3,999	1,771	14,151
Eliminated on disposal	-	-	(7,350)
At 31 March 2021	3,999	7,526	177,733
NET BOOK VALUE			
At 31 March 2021	11,996	3,306	394,817
At 31 March 2020	-	472	382,821

Included in cost or valuation of land and buildings is freehold land of £150,000 (2020 - £150,000) which is not depreciated.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

16. TANGIBLE FIXED ASSETS - continued

Land and building comprise the freehold premises known as 113 Nun Street, St. Davids and occupied by the charity. They were donated by Miss Elizabeth de Guise, a local benefactress. At 16 September 1998, the property was valued at £85,000 and included in the charity's accounts. When the charity commenced activities on 1 July 2007, the premises were revalued due to the substantial amount of renovation work undertaken. Land has been valued by the Trustees at £150,000 and has not been depreciated.

The property was valued at £425,000 as at 30 June 2007, by J J Morris Chartered Surveyors on 10 December 2008. Freehold land and buildings were recognised using this valuation as a deemed cost on transition to the SORP. These assets are being depreciated from their valuation date of 30 June 2007 and have a net book value of £374,102 (2020: £380,172).

17. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 April 2020	306,252
Revaluations	28,023
	<u>334,275</u>
NET BOOK VALUE	
At 31 March 2021	<u>334,275</u>
At 31 March 2020	<u>306,252</u>

There were no investment assets outside the UK.

The fair value of listed investments is determined by reference to quoted price for identical assets in an active market at the balance sheet date.

18. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Other debtors	17,296	12,638
Gift aid receivable	3,148	1,626
VAT	8,668	6,923
Prepayments	1,723	817
	<u>30,835</u>	<u>22,004</u>

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021	2020
	£	£
Trade creditors	5,743	1,947
Social security and other taxes	2,382	2,481
Pension	2,109	2,069
Attachment of earnings	30	15
Accrued expenses	8,620	8,491
Deferred government grants	3,140	3,140
Deferred income	12,084	19,500
	<u>34,108</u>	<u>37,643</u>

20. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	14,600	14,600
Between one and five years	-	9,600
	<u>14,600</u>	<u>24,200</u>

Total financial commitments, guarantees and contingencies which are not included in the balance sheet amount to £14,600 (2020: £24,200).

21. ACCRUALS AND DEFERRED INCOME

	2021	2020
	£	£
Deferred government grants	110,685	113,825
Deferred income	12,248	-
	<u>122,933</u>	<u>113,825</u>

Deferred government grants are grants awarded for the purpose of renovating the charities premises. These grants have been treated as deferred income, and amortised over the life of the corresponding assets.

Deferred income consists of income and other grants received. Grants and other income for specific expenditure such as assets will be released over the useful life of the corresponding asset.

Deferred income in respect of the charity's core costs will be released when the expenditure has been incurred.

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

22. MOVEMENT IN FUNDS

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	524,018	(28,711)	495,307
Fair value reserve	9,252	28,023	37,275
Designated contingency fund	150,000	-	150,000
	<u>683,270</u>	<u>(688)</u>	<u>682,582</u>
TOTAL FUNDS	<u>683,270</u>	<u>(688)</u>	<u>682,582</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	223,790	(252,501)	-	(28,711)
Fair value reserve	1	-	28,022	28,023
	<u>223,791</u>	<u>(252,501)</u>	<u>28,022</u>	<u>(688)</u>
Restricted funds				
Care and respite	20,930	(20,930)	-	-
	<u>20,930</u>	<u>(20,930)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u>244,721</u>	<u>(273,431)</u>	<u>28,022</u>	<u>(688)</u>

Comparatives for movement in funds

	At 1.4.19 £	Net movement in funds £	At 31.3.20 £
Unrestricted funds			
General fund	584,277	(60,259)	524,018
Fair value reserve	20,949	(11,697)	9,252
Designated contingency fund	150,000	-	150,000
	<u>755,226</u>	<u>(71,956)</u>	<u>683,270</u>
TOTAL FUNDS	<u>755,226</u>	<u>(71,956)</u>	<u>683,270</u>

SHALOM HOUSE

NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 MARCH 2021

22. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	177,599	(237,858)	-	(60,259)
Fair value reserve	-	-	(11,697)	(11,697)
	<u>177,599</u>	<u>(237,858)</u>	<u>(11,697)</u>	<u>(71,956)</u>
Restricted funds				
Care and respite	24,949	(24,949)	-	-
	<u>24,949</u>	<u>(24,949)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u><u>202,548</u></u>	<u><u>(262,807)</u></u>	<u><u>(11,697)</u></u>	<u><u>(71,956)</u></u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.19 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	584,277	(88,970)	495,307
Fair value reserve	20,949	16,326	37,275
Designated contingency fund	150,000	-	150,000
	<u>755,226</u>	<u>(72,644)</u>	<u>682,582</u>
TOTAL FUNDS	<u><u>755,226</u></u>	<u><u>(72,644)</u></u>	<u><u>682,582</u></u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	401,389	(490,359)	-	(88,970)
Fair value reserve	1	-	16,325	16,326
	<u>401,390</u>	<u>(490,359)</u>	<u>16,325</u>	<u>(72,644)</u>
Restricted funds				
Care and respite	45,879	(45,879)	-	-
	<u>45,879</u>	<u>(45,879)</u>	<u>-</u>	<u>-</u>
TOTAL FUNDS	<u><u>447,269</u></u>	<u><u>(536,238)</u></u>	<u><u>16,325</u></u>	<u><u>(72,644)</u></u>

23. EMPLOYEE BENEFIT OBLIGATIONS

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in independently administered funds. The pension costs charge represents contributions payable by the charity to those funds and amounted to £18,635 (2020: £17,791).

24. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 31 March 2021.

25. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is the board of trustees.