



every day makes a difference



Annual Report and Financial Accounts **2020/21**

Contents



Our purpose, values and aims	3
Highlights of 2020/21	6
Chair and Chief Executive’s statement	14
Trustees’ report and financial statements	18
Independent Auditor’s Report	82
Officers and Professional Advisors	88

01 Our purpose, values and aims



Our purpose and our values

St Ann's is one of the oldest and largest hospices outside of London, and we care for thousands of patients from across Greater Manchester every year. Our services are delivered from our sites in Heald Green and Little Hulton, as well as via a range of community and outreach services.

Our core purpose is 'to provide excellent care and support to people living with, or affected by, life-limiting illnesses'.

We believe everyone has the right to access the same high quality, specialist care at the end of their life as they do when they're born.



We're passionate about providing care that supports our patients right from the point of diagnosis, through treatment, and beyond.



Our patients and their loved ones are at the heart of everything we do, and always will be.



The care we provide is truly holistic. Our patients are individuals and our care addresses their unique needs, whatever they may be.

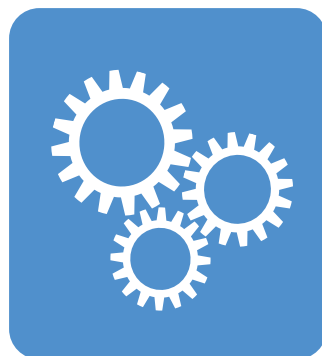


Our values

Our core values are embedded in all aspects of our work, and are at the heart of everything we do.



Inclusive



Professional



Compassionate



Respectful

Strategic aims

As St Ann's looks towards our 50th anniversary, it's important that we ensure the hospice remains able to meet the changing care needs of future generations.

There are certain things which make us different:

- We're a part of the broad health and social care environment but we're also an independent charity, able to determine our own future.
- Our clinical strategy is at the heart of everything we do.
- Our workforce is supported by a large number of volunteers.
- The majority of our funding comes directly from our supporters and local communities.
- We don't charge for our core service at the point of delivery.
- Our reputation is the key to our future and the type and quality of service we provide is therefore directly linked to that reputation.
- We are a true local charity, serving our local communities.

Our strategic aims put patients and their carers first:

To provide world-class, innovative care:

- Delivery of excellent care, free of charge and equitably
- Care at a time that's right for each individual, including disadvantaged groups
- Seek and share best practices
- Integration of research, teaching and learning to improve patient care.



To be an organisation of choice:

- Ensure St Ann's remains a great place to work
- Foster development opportunities and engagement that leads to a skilled and engaged workforce
- Nurture staff and volunteer wellbeing
- Endeavour to offer competitive terms, conditions and benefits.



To continue to develop a values-based culture within which there are high-performing individuals and teams:

- Ensure inspired, inspirational and visionary leadership, contributing to a highly capable, flexible workforce at all levels
- Continuous evaluation of Board performance and membership to ensure effective governance
- Trustees, Executives and Senior Managers will lead by example, exhibiting our core values.



To develop appropriate environments and outreach services to facilitate world-class specialist palliative and end of life care:

- Deliver buildings and infrastructure we are proud of
- Ensure they are suitable, safe and facilitate effective performance
- Enable flexibility to develop and meet emerging demands.



To continue to be financially viable:

- Ensure effective financial governance at all times
- Increasing and sustaining engagement with statutory commissioners, NHS Trusts, and grant organisations to allow delivery of efficient, effective services
- Encourage innovative fundraising activity via sustainable, diverse income streams
- Develop a robust retail strategy to increase Trading Company income.



02

Highlights of 2020/21

“

Everyone is very friendly and professional
in caring for me. Thank you.

St Ann's Patient

”



St Ann's in numbers

Statistics are important to us at St Ann's, they help us demonstrate our impact and reach, but more often than not, they are interesting and insightful.

We need to raise around **£20,000** a day to keep our services running.



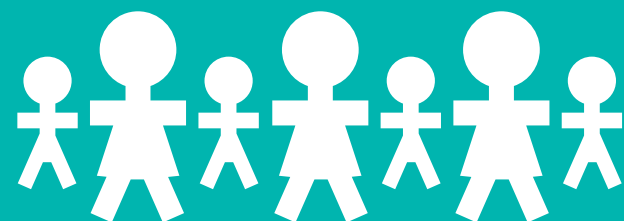
We support **thousands** of patients and those closest to them every year from our two hospice sites and range of community and outreach services.

We have

350

staff who all work hard to ensure patients are at the centre of everything we do.

An army of **700** volunteers support our work – we're looking forward to being able to invite many more of them back to our sites and shops soon, as pandemic restrictions continue to ease.



Our online shops were incredibly popular this year, seeing an increase in sales of **12%**.



Our hospice lottery membership grew by **5%** this year.

St Ann's **50th birthday** is May 2021, making us one of the oldest and largest hospices in the UK.



At the end of March 2021 we had **28,618** followers on our social media channels. Please do join them if you're not already following!



Three quarters of staff at the hospice engaged with our Wellbeing Festival to help support their health and wellbeing.

During lockdown we even arranged **4** weddings for patients!



We couldn't possible list everything we've achieved in the last year, but here are a few highlights...

April 2020

We couldn't do what we do without our amazing supporters, and in April thousands responded to our urgent funding appeal for help during the pandemic. We were so appreciative of everyone who thought of us and kindly donated so we could continue our care.

URGENT FUNDING APPEAL



May 2020

We celebrated International Nurses Day, thanking staff who continued to work hard on the front line – and some members of our nursing team even took to social media with a special dance routine that raised thousands of pounds for the hospice.

June 2020

Our flagship fundraising event the Manchester Midnight Walk turned virtual this year, as hundreds of people took to the streets to walk whilst raising money for the hospice.



July 2020

Most of our shops were safely reopened for customers in July, and staff and volunteers were thrilled to welcome back shoppers from across Greater Manchester. We also held special sales and Donation Drive-Thru events in our Distribution Centre to offer even more pre-loved and new goods to bargain hunters.



August 2020

Our Catering Teams developed a range of new food options as part of an exciting project to further improve the food offering in our sites for staff, volunteers and visitors. Feedback is that the food is delicious, which is something our patients always comment on too!



September 2020

The conversion of one of our outbuildings previously used for meetings into a safe, secure place for outpatients to come for appointments and therapies was opened. This was just one of a huge number of innovative ways we have reviewed and refreshed our service offering during the pandemic in line with restrictions and to meet the needs of our patients.

October 2020

Rachel McMillan was appointed as our new Chief Executive, taking over from Eamonn O'Neal who has now become our Director of Strategic Initiatives.

This month we also held our Celebration Awards to recognise achievements of staff and volunteers across the organisation, and present long-service awards too. The event was virtual this year, but it was a fabulous opportunity to reflect and celebrate together.



November 2020

Our Practice Development Centre Team facilitated a series of webinars on inequalities in accessing palliative care, in collaboration with The Palliative and End of Life Care Greater Manchester and Eastern Cheshire Strategic Clinical Network teams. We're passionate about improving access to care for all communities, and this was an exciting series to help inform and educate.

December 2020

Christmas is always a special time at the hospice, as we prepare menus and activities for patients to help them create special memories. Our annual calendar is also packed as we celebrate and raise money during the festive season. A highlight, as always, was thousands of people joining us to take part in our Light up a Life appeal in memory of someone special.



January 2021

In January as we kicked off our 50th anniversary year celebrations, we also held our first ever Wellbeing Festival for staff. A mixture of live and on demand activities and resources meant that employees could access information in a way that was best for them – and feedback was that everyone found the festival extremely helpful in highlighting the range of support available.



February 2021

Our brand new Move, Eat, Play, Give campaign saw businesses from Greater Manchester take on a series of challenges to raise money for the hospice.



March 2021

A special 50th anniversary range of new goods was launched by our Trading Company Team, including bags, cups, badges and lots more limited edition items – all to mark our fantastic half-century milestone year!

What an incredible year.

03

Chair and Chief Executive's statement

“

Not content with maintaining the status quo, challenges have been turned into opportunities and services developed to ensure we have remained responsive, safe and compassionate throughout the pandemic.

Professor Jacqueline Oldham, Chair of the Board

”

Joint Statement from the Chair and Chief Executive

St Ann's first opened its doors in May 1971 and throughout 2021 we have been celebrating our 50th anniversary. A lot has changed since opening, but our ethos, to support people living with or affected by life-limiting illness has remained the same.

Throughout the year, teams across the hospice have risen to the challenges of the COVID-19 pandemic. Collaborating and adapting to constant change, staff, volunteers, local health professionals, fundraising and other supporters have pulled together to ensure patients and their loved ones have remained at the heart of every decision made and have been able to access the care they needed. Not content with maintaining the status quo, challenges have been turned into opportunities and services developed to ensure we have remained responsive, safe and compassionate throughout.

The COVID-19 pandemic has also created significant fundraising challenges. Fundraising and Trading Company teams have been highly innovative displaying considerable creativity and seeking new opportunities to diversify our fundraising activity and portfolio of annual events. A COVID-19 urgent appeal at the beginning of the pandemic resulted in a considerable response. We have also welcomed additional COVID-19 response income from the Government Treasury and NHS, enabling us to keep our doors open to support those who have needed our care.

The wellbeing of our staff and volunteers and understanding their needs has also been a priority. We have appointed 10 mental health first aiders across departments to support people's wellbeing and signpost to services. Enhanced leadership training across all departments has also strengthened knowledge and skills to develop individual and team resilience, maintain high performance and ensure we continue to be an employer of choice.

As we reflect on our achievements outlined in these accounts we know they would not have happened without extensive support and collaboration. Developing our



own "roadmap to recovery" has enabled us to play a part in the mutual aid debate and locality planning during the pandemic. This in turn has resulted in raising our profile and an opportunity to showcase the instrumental role the hospice plays in the wider health and care system across Greater Manchester. These discussions

“The wellbeing of our staff and volunteers and understanding their needs has also been a priority.”

”



have also formed part of the wider Greater Manchester Hospice community debate and have provided more opportunity to share knowledge and services. Focussing now on the future we are contributing and influencing wider changes as Integrated Care Systems (ICS) are being developed and preparing for any impact on commissioning and contracting of services.

As we now look forward, we are proud to announce an exciting and ambitious initiative to create a new hospice for Manchester as we strive to continue to be an organisation of choice for people from across Greater Manchester. Our current Heald Green building is struggling to remain fit for purpose and we are moving forward at pace to ensure that we can continue

to provide specialist palliative and end of life care to meet the future needs of our patients and their families. We secured planning permission in April 2021 to build a completely new hospice on a site adjacent to the existing hospice. We have launched a major capital fundraising phased appeal and aim to commence building in Spring 2022. Meanwhile, with external support, we are investing also in a series of developments at our site in Little Hulton and are already embarking on significant refurbishment of our reception and coffee shop areas.

During the last 12 months we have remained focused, responded quickly and risen to the challenges of the COVID-19 pandemic whilst continuing to

concentrate on realisation of our future strategy. We are now committed to focussing on and achieving our ambitious aims to continue to develop and deliver world-class innovative care.

R McMillan

Rachel McMillan

Chief Executive of St Ann's Hospice
Date: 14th December 2021

Jacqueline Oldham

Professor Jacqueline Oldham

BSc (Hons) RGN PhD
Chair of St Ann's Hospice
Date: 14th December 2021

“Not content with maintaining the status quo, challenges have been turned into opportunities and services developed to ensure we have remained responsive, safe and compassionate throughout.”

”

“

I've been coming to St Ann's for a while now. The staff and volunteers can't do enough for you. It's a lovely, calm and peaceful place to come.

St Ann's Patient

”

04

Trustees' report and financial statements



Trustees' Report including Strategic Report

The Trustees of St Ann's Hospice, who are also Directors of the company for the purposes of the Companies Act 2006, submit their annual report, together with the financial statements and auditor's report for the year ended 31 March 2021.

The financial statements comply with the Charities Act 2011, the Companies Act 2006 and the Charities Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard (FRS102).

Constitution and governing documents

St Ann's Hospice is a company limited by guarantee (Company No 947220) and is registered as a charity under the Charities Act 1960 (Registered Charity No 258085). The company incorporated on 3rd February 1969 and is governed by a Memorandum and Articles of Association. A Board made up of Trustees (Directors) runs the company. Every Trustee undertakes to contribute to the assets of the company in the event of it being wound up during the time he/she is a Trustee or within one year afterwards. The amount that may be required will not exceed £1 (one pound) for payment of the debts and liabilities of the company contracted before the time when he/she ceases to be a Trustee.

Aims and objectives

The object of the charity, as set out in its Articles of Association, is to promote the relief of illness or suffering by:

- The expert care and support of people with palliative and end of life needs;
- The provision of services to promote health and wellbeing for patients and carers;
- The care and support of family and friends who have been bereaved; and
- The advancement of high quality and end of life care throughout the community.

St Ann's Hospice provides holistic care to patients with life-limiting illnesses - comprising inpatient care, day therapy and supportive outpatient services -

from its sites at St Ann's Road North, Heald Green, Stockport; Meadowsweet Lane, off Peel Lane, Little Hulton, Salford; and The Neil Cliffe Centre at Wythenshawe Hospital, Manchester. The teams at the hospice also provide a range of community and outreach services to patients, including care in the place they call home via a Hospice at Home service available in Salford and Trafford. The hospice's Community Specialist Palliative Care Team also supports patients in Salford, and a 24-hour telephone advice line is available to patients, carers and healthcare professionals in Salford, Manchester, Trafford and Stockport.

Public benefit statement

In setting our objectives and planning our services, the Trustees of St Ann's Hospice have carefully considered the Charity Commission's general guidance on public benefit. St Ann's Hospice provides hospice services free of charge to those individuals aged over 18 years with life-limiting illness living in the Greater Manchester, Lancashire and Cheshire areas. The charity also provides supportive care for their families and carers and our care services are available, without restriction, to all groups in the communities we serve.



Governance

The Trustees are Directors of the company for the purposes of the Companies Act. The Articles of Association state there shall be a Board of Trustees (also referred to as the Board of Directors) which shall consist of not less than five members.

Trustees are appointed following advertisement and interview by a panel of existing Trustees. References and Disclosure and Barring Service checks are taken up before a formal recommendation is made to the Board by the Chair that the individual is appointed. Trustees have an annual appraisal, conducted by the Chair.

Trustee Induction



All new Trustees participate in an induction programme (reviewed and revised 2017/18) aimed at building knowledge and understanding of both the role and responsibilities of a Trustee and the work of the hospice. It includes attendance at the hospice's organisational induction training attended by all new staff.

All staff and volunteers, including the trustees, must complete an annual mandatory training programme as well as attending ad-hoc training events, usually taking place at trustee away days. Our annual mandatory training includes, but is not limited to, data security awareness, conflict resolution, equality & diversity, human rights, fire safety, health & safety, and infection control, as well as fundraising, and more recently, COVID-19 guidance.

Section 172(1) statement



Trustees have a duty to promote the success of the Charity and, in doing so, are required by section 172(1) of the Companies Act

2006 to have regard to various specific factors, including:

- The likely consequences of any decision in the long term,
- The interests of the charity's employees,
- The need to foster the Charity's relationships with third-party stakeholders which, in the case of St Ann's Hospice include people affected by, or living with life-limiting illnesses,
- The impact of the charity's operations on the community and the environment,
- The desirability of the charity maintaining a reputation for high standards of business conduct, and
- The need to act fairly as between members of the charity.

structure. Each committee meets in between Board meetings and supports the Board with its work. The current structure allows the Board to focus on strategic and big picture issues by delegating responsibility and empowering each committee to examine the detail and provide the precise level of scrutiny that is necessary. By employing this structure, it allows the committees to provide assurance to the Board and supports the flow of solutions, recommendations, and ideas.

Delegated Decision Making



A Scheme of Delegation approved by the Board is in place that sets out in detail the matters and powers delegated to the Chief Executive. The Chief Executive is ultimately accountable to the Board for ensuring that the hospice meets its obligation to perform its functions within the available financial and other resources.

Organisation



The Board administers the charity and meets a minimum of four times each year. The hospice ensures good governance through an effective committee

Internal Control and Risk Management



The Audit Committee exists to advise on the effectiveness of the hospice's internal control and management systems and to ensure all activities undertaken are subject to a continuous review for economy, effectiveness, and efficiency. The committee also has oversight of financial control, governance and risk-management across all facets of the organisation. The management of individual risks is delegated to relevant sub-committees of the Board. The Audit Committee receives reports from the internal auditor on both financial and non-financial matters. Clinical audit responsibilities are discharged to the Clinical Quality and Performance Committee. It also receives reports from the Executive Team and relevant sub-committees on the identification and management of strategic and operational risks. The Audit Committee also meets the external auditors.

Engaging Stakeholders



Through regular engagement with key stakeholders, we maintain an understanding of their needs that informs how we define our organisational objectives, policies and strategy. The Board of Trustee's decision-making process considers the impact of potential decisions on relevant stakeholders, and obtains assurance that proper

consideration is given by its Committees to stakeholder interests through regular reports from each Committee.

Our Beneficiaries



We are keen to learn from our beneficiaries' experiences at St Ann's and actively seek feedback and suggestions that help us make positive changes. Our teams engage with numerous patients and their families on a day-to-day basis through the many services we provide. Our Trustees and Executive team carry out a monthly walk around on the IPU's (inpatient units) and listen to patients' experiences. Our Executive team and Heads of Department regularly spend time with patients and help them complete a structured questionnaire that provides us with quantitative and qualitative data to inform our decision-making and help us make continuous improvements.

Our Supporters



We engage with our supporters using a variety of proven and innovative strategies. To ensure our supporters remain with with us, we proactively engage with them by phone, email, or face-to-face meetings. We regularly thank our supporters for everything they do, constantly encouraging and nurturing them to become dynamic ambassadors that champion the hospice and its purpose.

For those who have agreed to

receive communications from us, we send them 'Friends', our quarterly newsletter. The circular helps keep our supporters up-to-date with recent news, events, and stories from across the hospice. We also have invested effort in understanding our donor journey to ensure our supporters recognise the importance their support provides and enables them to see first-hand the impact it has. We have a significant presence online and across the social media platforms that we invest substantial effort in, creating interactive content and telling inspirational stories.

We invite all our supporters to our annual Light up a Life and Forget-me-not events as a way for us to come together as a community to remember and reflect. For those individuals who participate in any of our fundraising events, we build and develop strong relationships with them prior to the event by speaking them regularly over the phone and inviting them to in-person meet ups with other participants. This provides encouragement and support to their fundraising activity, but it helps strengthen our community and brings our supporters together to share their experiences.

Every year we hold a call-a-thon where the fundraising team attempt to phone as many of our supporters as possible in one day. We thank them for their ongoing support and loyalty and listen carefully to any feedback they have. In addition to our active communication approaches, we regularly ask

our supporters to complete surveys and questionnaires and encourage them to provide us with constructive criticism and feedback, especially where we can improve our engagement with them.

Our Staff & Volunteers



We are proud that we have such a wonderful team of highly professional, caring staff at the hospice, who are passionate about what they do, and we recognise the importance of engaging with, and listening to them. Our weekly Chief Executive's brief goes out to all staff and volunteers and once a month our Executive team hold a Director's Drop-in. We have a number of working groups where membership includes various staff roles across the hospice. We use these groups to consult staff on new initiatives, ask them to participate in decision-making, and constructively provide feedback on policy and procedures. We also hold regular Schwartz rounds for staff and volunteers to share their experiences of working in what sometimes is a difficult and challenging environment.

At St Ann's, volunteers work across the hospice in a variety of roles and with varying responsibilities. From running our coffee shop and providing visitors with a much-needed cup of tea, to tending to the hospice gardens, working in our charity shops, supporting the fundraising team with events or office work, or supporting staff on our wards with our

celebrated drinks trolley, our volunteers are the lifeblood of the organisation. We want to encourage people, whatever their skills and background, to consider volunteering for us. We also want our volunteers to have every opportunity to develop themselves, and offer them the chance to apply for paid roles and access training and education to help support their personal and professional development.

Our Suppliers



St Ann's Hospice works with key suppliers to ensure the delivery of high-quality services to its staff and beneficiaries through regular contract reviews and monitoring of quality. The supply of major services to the hospice are regularly tendered to ensure high levels of service are maintained and delivered cost effectively.

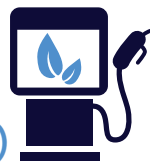
Environmental Sustainability



We remain committed to move our organisation to more sustainable practices through continually reviewing and developing our working environments. Our aim is that informed and engaged employees work in low-carbon, efficient environments, using minimum resources, producing minimum waste and travelling only when necessary. Activities in this area range from, the development of a new modern hospice facility, efficiency

projects for our existing estate, and changing staff culture and behaviour.

Carbon Dioxide Emissions (CO2e)



A total of 488.09 tonnes of CO2 generated by St Ann's from Gas, Fuel for Transport and Electricity for fuel and/or transport.

- Gas = 368.33 tonnes CO2e
- Electricity = 115.49 tonnes CO2e
- Business Transport = 4.27 tonnes CO2e

Compared to 2019/20 figures below,

- Gas = 263.89 tonnesCO2e
- Electricity = 136.28 tonnes CO2e
- Business Transport = 34.15 tonnes CO2e
- Total CO2e generated by St Ann's Hospice during 2019/20 = 434.32

Energy Consumed



The aggregate of the annual quantity of energy consumed from activities for which the charity is responsible, in kWh is:

- 1,930,544.56 kWh compared to 2,144,518.18 for 2019/20.

Methodology



Energy consumption data was generated from billing information. Business travel information was obtained from staff mileage claims for the period. As retrieving car type,

fuel type etc. was not possible, aggregated conversion factors were used for petrol & diesel cars, based on an “average” car in the government guidance.

Ambulances and vans applied the category of “Managed Vans; Average; Diesel” for their conversion factor. Data on distance was taken from fuel invoice information with vehicle mpg information drawn from a number of online sources noted in supporting documentation (Energy Savings Opportunity Scheme - ESOS calculation spreadsheet). Current government guidance on all conversion factors was used throughout.

The ratio below is based on operational hours, for St Ann's this equals::

- 8,760 per annum.

A ratio expressing annual emissions in relation to a quantifiable factor:

- 39.56 kgCO₂e/operational hour
- 48.48 kgCO₂e/operational hour 2019/20

Energy Efficiency



The following measures were taken to increase energy efficiency in the reporting period:

- Introduction of SAH's inaugural Sustainability Policy
- New smart meters sending daily readings to our suppliers allowing more accurate billing and access to better tariffs
- New 'smart zone' heating system introduced at LH that heats areas in localised zones

meaning only populated areas are heated.

- DEC's at both sites (Display Energy Certificates).
- Energy Efficiency reports for both sites.
- Development of video conferencing and remote working infrastructure and support.
- Appeals to staff to reduce business travel where possible (including proposals to lift-share cross-site)
- Input into HG new-build design – requesting Mechanical and Electrical - M&E achieve net saving on current energy expenditure in what will be a significantly larger site.
- Information and communications technology - ICT strategy includes energy consumption as a key consideration regarding server upgrade v cloud-based computing

Notes

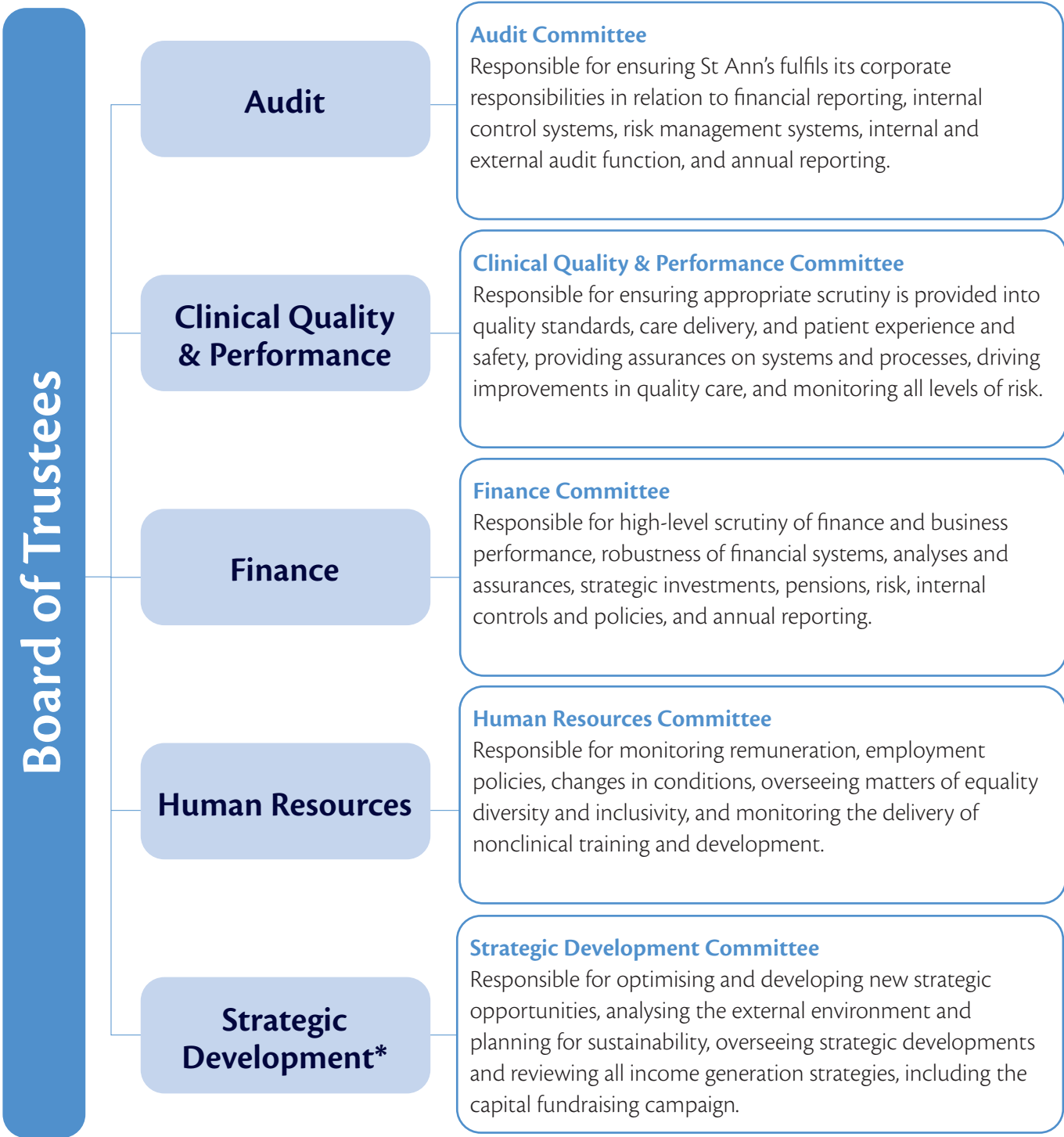
The uplift in gas use may reflect reporting inaccuracies in the previous financial year. The switch to a daily report smart meter should provide a better reflection of actual use and will be assessed with year on year figures in 2021/22.

Fuel use/ambulance use was significantly reduced in 2020/21 due to covid. Cross site working reduced by around 80% and the closure of both day care services reduced use of ambulance transport.



Committees of the Board

Each Board committee is chaired by a Trustee who reports to the Board at each meeting on the matters considered by each committee. Membership of a committee varies, with each containing at least three Trustees, two or more Directors, and a handful of department heads.

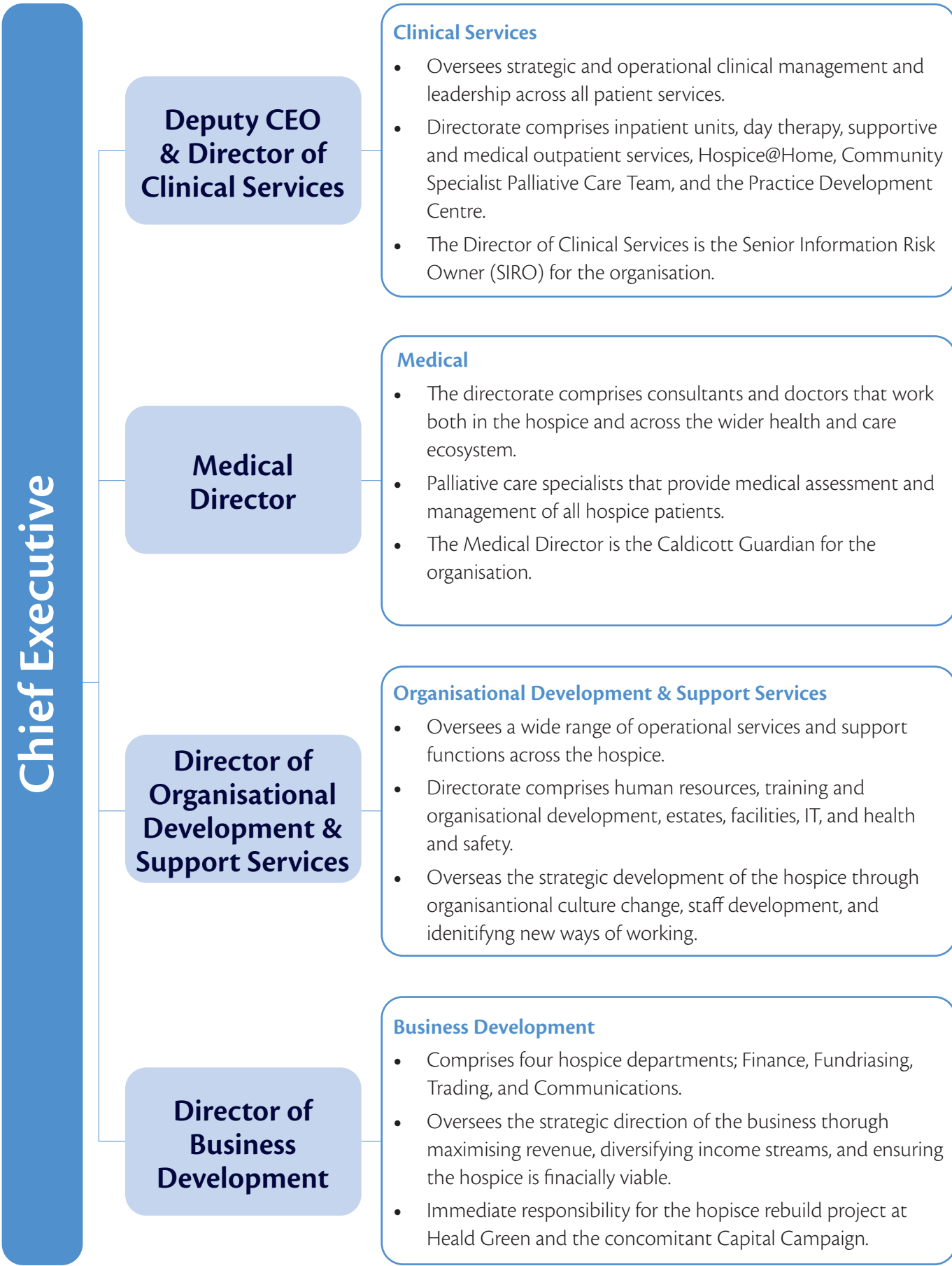


**Assumed responsibility for the Capital Fundraising Appeal Committee (dissolved October 2019)*

“Throughout the year, teams across the hospice have risen to the challenges of the COVID-19 pandemic.”
Professor Jacqueline Oldham, Chair of the Board

St Ann's Directorates

Our executive team is responsible for each of the departments within the hospice. Our activities are organised under the following four directorates:



Our reach

St Ann's is one of the oldest and largest hospices in the UK and our services span Greater Manchester and parts of Bolton, Wigan and East Cheshire.

We care for thousands of patients from across the area every year and provide support for their loved ones too.



We have to raise around
£20,000 a day to keep
our services across Greater
Manchester running.

Achievements and Performance

Medical and Clinical Services:

Clinical Services



Our inpatient units have continued to operate a full inpatient service, throughout the last 12 months and we have seen an increase in admission numbers. This has been particularly evident at weekends and bank holidays due to our continuing work around access to seven-day services. Our staff have continued to support patients and their families with all aspects of their care, providing them with information to make informed choices including preferred priorities of care and preferred place of death (PPC & PPD), nutrition and hydration, medicines and visiting. Both inpatient units have seen a continuing flow of patients with increasing dependency, acuity, and complex needs throughout the patient pathway from referral to discharge or death.

The average monthly occupancy rate has been **77%**, 2019/20 - 81% and the average length of stay has reduced to **17** days calculated within the month from **22** in 2019/20. There has been an increase in the number of admissions to **628** from **558** in 2019/20. We have also seen a significant increase in weekend admissions from **29** in 2019/20 to **55** in 2020/21. We have had several patients with highly complex needs and therefore it has been difficult to transfer their care to an appropriate setting causing a longer than average length of stay which can further impact on the number of admissions. There has been a decrease in deaths to **58%** compared to last year's figure of **63%** and the number of discharges has significantly increased to **40%** supporting patient choice and partnership working with community colleagues.

Our clinical services developed and are delivering on our clinical roadmap to recovery, embracing all the positive changes we have adopted during the COVID-19 pandemic to ensure ongoing delivery of safe and effective care to patients across all settings.

The reporting of clinical data is improving in accuracy and evolving as part of a project to inform our strategy. St Ann's has been working alongside other Greater Manchester Hospices to develop a

standardised data set which will enable accurate benchmarking and contribute to the wider health and social care economy. This is a huge task and is ongoing.

There have not been any on-site inspections from the Care Quality Commission (CQC) during this period. However, due to the changes in 2018 of how hospices are being inspected currently and in the future – that being in the hospital directorate - St Ann's has continued to engage with the relationship owner/lead inspector at the CQC in what is proving to be a positive relationship.

The Being You Centre



Our Being You Centre has continued in a virtual format over the last 12 months. These services have continued to include key worker reviews, signposting and psychological support. Our Being You Centre Team has been pivotal in supporting patients who would normally access services but have had to shield due to the COVID-19 pandemic. Feedback from patients had indicated that this has supported well-being and mental health throughout the last year. Our creative and music therapies have continued on our inpatient units and virtually, the teams have used video recordings to reach out to our patients. In addition, our Being You Centre staff implemented and rolled out our regular staff and visitor COVID-19 testing and throughout the pandemic we have provided ongoing delivery of specialist palliative medicine virtual and clinic support to those living in the community but requiring this specialist support.

We have transformed the occupational therapy and physiotherapy face to face 'Breathing Space' programme to a series of four videos to enable these to be used during and after the pandemic for patients who may not be able to access face to face services at the hospice.

Commissioning for Quality and Innovation (CQUIN)

St Ann's was not required to implement the CQUIN requirements, carry out CQUIN audits nor submit CQUIN performance data. However, we have continued to actively participate in the CQUIN.

St Ann's Hospice undertakes CQUIN projects each year in collaboration and agreement with Stockport CCG, as the lead CCG for the consortium. CQUIN projects set targets which are performance managed against a set criteria to ensure achievement and development within services. The CQUIN framework helps make quality part of the commissioner-provider discussion and allows us to look at the quality of our services and ensure that quality continues to improve. St Ann's Hospice's income in 2020/2021 was not conditional on achieving quality improvement and innovation goals through the Commissioning for Quality and Innovation payment framework because the operation of CQUIN has remained suspended for all providers until 31 March 2021 due to the COVID-19 pandemic

However, we have continued to implement CQUIN requirements, carry out CQUIN audits and record CQUIN performance data for projects which were already agreed prior to 1 April 2020. During the period 2020/2021 the following CQUIN projects were carried out/continued: 2020/2022 – Rehabilitative Palliative Care Approach. The rehabilitative palliative care CQUIN is looking at how as a hospice, we deliver care and support and ways in which we can further empower and enable patients, it is being supported by the rehab team but the changes are being led by other staff within the hospice to help support this significant culture change. As part of this work a cross site steering group has been developed to lead the changes across the whole organisation in line with the aims of the clinical strategy.

Quality Accounts

The hospice published the Quality Accounts for this reporting period in line with national guidance.

Medical workforce

St Ann's medical workforce continues to comprise a spectrum of posts including Consultants, an Associate Specialist and Specialist



Doctor roles, as well as supporting rotational medical posts within the hospice sites. All doctors who work within the hospice are part of an annual appraisal and revalidation process.

The hospice has been able to recruit successfully to our medical posts over the past year and this has included the recruitment to two Consultant posts.

The medical team at the hospice provide support for patients and their families across both in-patient units, as well as within The Being You Centres, medical outpatient service and community. They also continue to support education and training of others, quality improvement, as well as strategic developments for the hospice.

Pilots and evaluation of different models of Consultant weekend working at the hospice have now concluded and a model has been agreed for 2021/22.

The hospice medical and wider team maintains strong links with the Greater Manchester and Eastern Cheshire Strategic Clinical Network Palliative Care Programme.

Community services



Both the Hospice @ Home service and the Community Specialist Palliative Care Team (CSPCT) have had a busy year. There has been a significant increase in the total number of referrals to the community teams.

	Referrals	Deaths	Discharges
Hospice @ Home Trafford	47	13	14
Hospice @ Home Salford	287	110	66
Hospice @ Home Total	334	123	80
Community Specialist Palliative Care Team	1080	412	187
TOTAL	1414	535	267

Our Community Specialist Palliative Care Team has continued to provide a full face to face service during the last 12 months and have seen an increase in referrals during this time. The team has delivered specialist clinical leadership and expertise for patients,

our staff and acute hospital staff throughout the past year. The team has adapted services when required to include video and telephone consultation.

Our Hospice@Home Team has maintained a full service throughout 2020/2021. This service has successfully continued to triage referrals within 48 hours, assess the needs of patients at each visit and continued to provide ongoing emotional and psychological support for patients and their families, alongside collaborating more than ever with the District Nursing Teams.

Our Homeless Palliative Care Co-ordinator has maintained a full face to face service throughout 2020/2021. During this period, this service directly assisted 28 people in need of palliative care support across the GM footprint. In addition the service directly supported 42 people who had been impacted by loss. In addition, our Co-ordinator has worked collaboratively with our Community Specialist Palliative Care Team to make inroads into reaching out to this vulnerable population, working with the wider Greater Manchester homeless network.

Practice Development Centre



Both our practice development centre (clinical training) and our Organisational Development and Training Manager (non-clinical) have continued to provide reduced programmes of training and education for staff throughout 2020/2021. We have adapted our training and worked innovatively to ensure that learning and education has remained a priority for our workforce. For example, our organisational induction programme has been adapted virtually to ensure new starters have been fully supported and our medical teams have facilitated monthly training sessions for all staff on a variety of relevant topics. Despite set-backs faced because of the COVID-19 pandemic, the remaining modules in the Inspire/Aspire Leadership Development Programme were adapted for virtual delivery and 13 individuals successfully completed the programme in February 2021. In addition, our Heads of Departments completed their external coaching support during 2020 and each gave positive feedback indicating that the programme was beneficial. Other training programmes which

we were unable to deliver will be rescheduled for the forthcoming year. Our Practice Education Facilitators (clinical) have continued to support staff throughout the pandemic to support clinical education and deliver training as needed. Sadly, due to the pandemic, we have been unable to facilitate our hospice exchange programme; however, we are hopeful we will be able to do so within the coming 12 months. Additionally, as an organisation through the early part of the pandemic, we retrained our staff as part of our re-deployment efforts to ensure that we had adequate numbers of staff, with the relevant skills and experience to continue to provide services during 2020/2021. Each redeployed staff member was supported with a buddy or mentor from the department they were redeployed to.

Clinical Audit and Quality



We hold quarterly meetings where a rolling programme for clinical audit is agreed and reviewed. This includes clinical and medical staff from all services and departments. St Ann's also participates in, and contributes to, the North West Regional Audit Group (NWAG) which is led by one of our consultants.

Patient Experience and User Involvement



The comments scheme enables visitors, patients, volunteers, and staff to make suggestions for improvement or comments about our services. The Service Development Lead was responsible for managing the scheme and sending any comments received to the appropriate manager for consideration and ensuring a response if required.

Actions included:

- Review of the disabled parking facilities
- Training update for volunteers on fire alarm procedure
- Provision of battery operated candles for the chapels.

Patient and carer feedback

St Ann's is involved in a Greater Manchester hospice-wide involvement group that aims to share current best practice in collecting patient and carer feedback. We are also working towards developing a process for seeking feedback from a wider cohort across the seven Greater Manchester hospices when larger datasets are required.

We also conduct the Friends and Family Test. During this reporting period, we have received excellent feedback to the two questions and many positive comments.

How likely are you to recommend St Ann's to friends and/or family members if they needed similar care or treatment?

	IPU	Being You Centre	Community
Extremely Likely	191	27	54
Likely	6	4	1
Neither likely or unlikely	0	0	0
Extremely unlikely	0	0	0
Don't Know	0	0	0
Total completed tests	197	31	55

Incident Reporting and Near Misses

The hospice has a learning culture embedded in departments and encourages staff and volunteers to report and engage in the incident reporting system. This allows us to learn, improve, and prevent further incidents. Depending on the nature of the incident, they are discussed appropriately at the relevant committee to share learning across the organisation.

The year ahead

St Ann's Hospice celebrates a history of success, being one of the oldest and largest hospices in the UK. We feel highly privileged to be able to provide care and support to patients, their loved ones and care givers and will continue to work towards providing world class palliative and end of life care for all of those people we support. We will continue to work towards achieving our five year strategy during the coming 12 months alongside embedding our clinical strategy, as we reflect back on our achievements and challenges and look towards the requirements for our next five year strategy in 2022.

We will continue to monitor, measure and reflect on the quality of the services we provide and actively seek new ways to obtain feedback and establish where improvements can be made. As we celebrate our 50th year, we want to ensure our work and the services we provide are high quality, effective, efficient and dynamic as we face the future together.



Organisational Development and Support Services

Organisational Development

Health & Wellbeing

The Wellbeing Programme has continued to be rolled out with particular focus on wellbeing and resilience initiatives during the pandemic. Relationships have been built with the Greater Manchester Resilience Hub which is providing staff with additional support.

A week long Wellbeing Festival held in January was mainly delivered online due COVID-19 restrictions with live and recorded events. This included specialist blogs from members of staff, relaxation sessions with the hospices complementary therapists and sessions with the Greater Manchester Resilience Hub. A pocket-size guide was designed to support the Wellbeing Festival and issued to all staff signposting them to wellbeing resources.

During the year, ten employees have been trained as mental health first aiders and were launched at the Wellbeing Festival.

Apprenticeships

Apprenticeships are supporting St Ann's to attract high performing talent to the organisation along with investing in career development to assist with retention of talented individuals. The level at which employees are studying has increased, supporting our strategic aim of having high performing individuals and teams.

During the year the hospice has supported eleven apprentices ranging from Level 2 (equivalent to 5 G.C.S.E passes) to Level 7 (equivalent to Master's Degree) supporting both clinical and non-clinical staff. The variety of careers supported by apprenticeships has also increased in diversity.

This year the hospice has collaborated with external partners to support funding for apprenticeships.

Digital Champions

Digital skills have been identified as a key area of staff development and during the year a number of new initiatives were established to support this area. A Digital Champions development initiative has been launched to increase digital capability across the workforce with 18 individuals being assigned a digital buddy as part of an eight week programme of development. Subject matter experts have also been identified as Digital Champions and are available to provide ad-hoc support for quick queries.

Leadership Development

Work has continued to support leadership development with all new leaders attending the hospice's Inspire Leadership Development Programme and ongoing support and collaboration provided through the Leadership Exchange Network (LEN). This year's LEN has focussed on wellbeing and has equipped leaders with tools to build their own and their team's resilience.

The new leadership behaviours, developed in 2019, have been embedded into the recruitment process and leadership development is targeted to support the behaviours. This is an important initiative as it formally defines the future skills and qualities needed by leaders to enable delivery of the strategic aims..

Staff Awards

The hospice held its annual celebration event to celebrate staff and volunteers. Due to the pandemic restrictions this was a virtual event.

The event included awards in the following categories, as well as long service awards for employees and volunteers:

- Collaborative
- Innovative
- Initiative
- Together
- Team St Ann's

• Volunteer Special Recognition Award

A Covid-19 Special Recognition Award was presented to all teams through their Heads of Department in recognition of the extraordinary dedication and commitment they have given during challenging times.

Senior Staff Pay



We aim to ensure that our employees' salaries including our key leadership roles reflect the level of responsibility expected of them, and that they are comparable with the salaries paid by other voluntary organisations. This is in line with the National Council for Voluntary Organisations' senior staff pay guidance that the aim of a charity's pay policy should be to offer fair pay to attract and retain appropriately qualified individuals to lead, support and deliver the charity's aims. By paying salaries that match similar roles at comparable organisations, we can attract and keep the highly skilled and committed staff the hospice requires. The salary structure and remuneration are considered in accordance with the Pay Policy and proposals are presented through the HR Committee and Finance Committee to the Board of Trustees.

Equality, Diversity and Inclusion

St Ann's Hospice is committed to equality, diversity and inclusion in volunteering, employment and workplace practices and to promoting equality, tackling discrimination and fostering good relationships between a diverse range of people, including service users. The hospice aims to create

an organisation that fosters good relationships between diverse groups, values diversity and promotes equality regardless of age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief or sexual orientation as well as tackle unlawful discrimination proactively through policies, practice and procedures. At St Ann's Hospice recruitment, selection, induction training, other opportunities for training, remuneration, Performance and Development Reviews, promotion, disciplinary action, dismissal, organisational communication and working practices take account of equal opportunities. Wherever possible the hospice will make reasonable adjustments to working practices and premises to support staff with a disability

Staff Engagement



A variety of channels and forums have been developed to ensure effective communication and involvement including a weekly Chief Executive Brief, staff intranet and departmental team meetings. In addition departmental representatives are invited to attend quarterly Involve meetings providing a channel for communication and consultation in relation to:

- developing our workplace culture and working practices
- ensuring safety, wellbeing and happiness at work
- safeguarding and promoting our values
- reward and recognition
- development and career progression
- sustaining our future



Support Services

Redevelopments at Little Hulton



Planning permission was granted for the redevelopment of the "front of house" areas at Little Hulton including the Reception, Coffee Shop and Conservatory. This will provide much needed space for the Coffee Shop. Landscaping outside into the enclosed garden will create an outdoor sitting area for patients, relatives, staff and visitors.

Design drawing and specifications have been on-going with consultation and feedback being developed with key stakeholders and wider staff. Construction work is due to commence in Spring 2021.

Enhancements to Coffee Shop at Heald Green



Investment has been made into the Coffee Shop at Heald Green with the installation of a sandwich and salad bar which was necessary to facilitate social distancing. However, the improved facility has enabled the development of a bespoke service with customers being able to order food to meet their own specifications. The new initiative is proving popular and the catering teams have been able to try some new ways of working in line with future plans within the new building at Heald Green.



Our Response to the COVID-19 Pandemic

Throughout the last 12 months a number of initiatives have been put in place to ensure staff safety. This has included ensuring adequate supplies of PPE, undertaking individual COVID-19 risk assessments, developing a COVID-19 secure workplace and obtaining access to the vaccination programme in its early stages.

The pandemic has had an impact on everyone's working and home life and alongside safety it was also important to consider emotional and practical support for staff. Support ranged from developing a section on the Staff Hub for COVID-19 related information and creating a "time-out" room for reflection to contacting local supermarkets to ensure hospice staff could take advantage of priority opening times. In addition, resources were provided to enable staff to digitally upskill as the requirement to use remote technology increased.

Relationships have been built with the Greater Manchester Resilience Hub which is providing staff with additional support. The hub also supported the hospice during the annual Wellbeing Festival and with staff both individually and within teams.

Measures have been taken across all hospice sites to ensure social distancing and safe working practices. Cleaning regimes have been stepped up with a particular focus on touch points, protective screens are in place, appropriate signage has been displayed and the number of hand sanitizer stations has increased.

The facilities teams have repurposed rooms to ensure social distancing and ensured all locations were equipped with appropriate technology to support virtual appointments and meetings.

Business Development

The last year has been challenging for the Business Development directorate, with shops closed for the majority of the year, community and corporate fundraising at a standstill, and many sporting and challenge events cancelled. This focussed our thinking and sparked innovation. Each team worked collaboratively to identify and implement new ways of generating income; we introduced the virtual Manchester Midnight Walk, our Distribution Centre started popup sales, and we increased resource in our online offering.

One of the most important pieces of work was our urgent funding appeal that went out to all our supporters. We contacted everyone we could and utilised all our communication channels. The appeal brought in a staggering £145k, which was heart-warming to know that when we needed it most, the support of our community was there.

The coming year will bring its own challenges and obstacles, but we have outstanding teams and inspirational leadership in place to drive our ambitious agenda forward. We will continue to develop the individual departmental and overall directorate strategies to deliver both long-term income growth and efficiency savings. This will help the hospice to continue to be finally viable.

Fundraising

Fundraising income from donations and legacies to the 31st March 2021 was £4,657,247 against the previous year of £4,755,048 (2019/20), a decrease of 2.1%. The COVID-19 pandemic caused our fundraising activities to change significantly from what we had originally planned with the cancellation of the majority of events and community activity. We were still able to progress against the fundraising strategy in the following ways:

1. [To increase income to ensure the charity remains financially viable and that revenue income plans dovetail with the public phase of the capital campaign.](#)

Income has remained stable despite the challenges faced; community and events income only delivered 53% and 42% of their budget respectively. The JustHelping Christmas tree campaign was significant in this income resulting in over £50k for the hospice. Our flagship event, the Manchester Midnight Walk, became the Manchester Virtual Walk, which enabled us to recover some of the lost income. This in the main was well received by our supporters.

Other income streams outperformed the budget to make up for these losses – Major Gifts Trusts and Foundations (164%); corporate (160%) – specifically due to the successful application to Barclays for a £100K grant, and Individual giving (128%) primarily

due to the unbudgeted urgent appeal that delivered £145K in donations alongside lottery and regular giving sign ups which overall could deliver a lifetime value of £250K in total.

Legacy income was 3.1% down at £2.4 million compared with the previous year, of £2.5 million but 0.4% ahead of budget. The year started slowly, with the majority of both solicitors and will making organisations reducing to essential operations. We have now allocated a dedicated resource to recover outstanding payments and that is working well.

St Ann's is working on a legacy programme with GM Hospices to increase the awareness of legacy giving across the Greater Manchester area. This will help strengthen our messaging.

Our Grateful patient programme remains on hold until social restrictions lift.

2. [To grow our volunteer network by recruiting and training money-generating volunteers.](#)

Volunteering has been largely on hold during 2020-21 due to social restrictions, some of our administration volunteers have been able to continue their support due to the investment in a cloud based system in 2019 and a limited number have supported in a COVID safe way in their community.

3. [To recruit and retain highly skilled individuals, investing in training and development opportunities.](#)

The pandemic has allowed increased access to free and low cost training and development opportunities which have been enthusiastically embraced. In addition a number of St Ann's staff have presented at regional and national conferences and webinars for the Institute of fundraising and the hospice income generation network.

4. [To design and implement our donor journey to increase the retention of supporters.](#)

Our donor journey work continues successfully with the integration of fundraising and trading databases to give all SAH supporters a seamless experience. In addition we have aligned direct mail across the two departments to increase options for donors to give in the way that they wish to do so. St Ann's took part in a pilot scheme to integrate the Justgiving platform with Raiser's Edge database, this enables us to spend less time on transactional administration and more time on supporter care and stewardship.

5. [To ensure all our activities are underpinned with correct governance.](#)

St Ann's Hospice and St Ann's Hospice Trading Company are a member of the Institute of Fundraising (IoF) and the Fundraising Regulator (FR). No incidents were reported in 2020/21.

We review all new activity in line with our information governance policy. In 2020/21 an ethical donations, fundraising data policies have been written and ratified. A Donor recognition policy is underway alongside a full fundraising policy in line with audit recommendations.

Fundraising was subject to the impact of a data breach from Blackbaud. This incident was resolved in line with information governance policy and was reported to both supporters who were affected and the ICO - Information Commission Office who notified us that no further action would be taken.

We continue to act ethically and responsibly, using best practice when communicating with our donors and supporters and adhere to The Code of Fundraising Practice and its associated Rulebooks for street and door fundraising that outline the standards expected of fundraising activity. In the Year 2020/21,

we received one request to cease communication through the Fundraising Preference Service. One complaint relating to Fundraising was received during the year, these were logged on our internal incident reporting register and actioned accordingly.

We display the trusted logo of the Fundraising Regulator on all our fundraising communications. The fundraising team and Trading Company undertake safeguarding training in line with the charity's policy for protecting vulnerable people.

We engage with external fundraising contractors who act on our behalf to engage with Trusts & Foundations and carry out lottery promotions.

Finance

Throughout 2020-21, the focus for the Finance Team was to continue to offer high quality finance support to the organisation whilst operating predominately on a remote basis because of COVID-19 restrictions.

We embraced digital solutions, including implementing new software enabling the team to process Direct Debit collections and BACS payments remotely from any location ensuring the continuity of service.

We worked closely with our fundraising colleagues to support new fundraising initiatives, undertaken as a response to COVID-19 restrictions limiting traditional methods of fundraising. We ensured the correct accounting treatment was utilised, and that procedures were in place to safeguard the smooth, efficient processing of income; maximising Gift Aid where appropriate.

During the year under review, the Finance team faced additional reporting requirements both internally, in terms of forecasting and scenario planning, and externally producing reports for Hospice UK to support the payment of grant income provided by NHS England.

During what has been an exceptionally busy year, we were also able to look to the future. We secured external funding to offer an accounting apprenticeship to a member of the team and took steps to record legacy notifications digitally on the donor database.

Trading Company

Trading Company turnover to the 31st March 2021 was **£2,268,942** against the previous year **£2,646,309**; a decrease of **14.3%**. Operating profit in the year was **£562,735**, a **15.5%** decrease on 2019/20. The decrease in turnover and profit this year was due to the onset of COVID 19 and the introduction of government restrictions which resulted in all our high street shops being subject to closure restrictions on three occasions and for around seven months of the financial year, causing a significant impact on the business.

Turnover to 31st March 2021

£2,268,942

a **14.3%** decrease on 2019/20

Operating profit to 31st March 2021

£562,735

a **15.5%** decrease on 2019/20

In addition, shop closures were further compounded by the restrictions on door-to-door lottery canvassing and despite engaging the services of a telephone campaign; the impact on business was felt at the start of the new financial year and negatively affected total income for the remaining year with a reduction of **7.9%**.

Conversely, during this period, our online retail operations continued to remain strong and sales increased year-on-year by **3.5%**. In addition, our house clearance service which operated within restrictions, achieved a **4%** increase on income.

Shops

Shop overall income was down **36%** on the previous year, the impact of poor footfall, social distancing, and closures took its toll on the high street.

A new approach to generating income was quickly adopted and the Distribution Centre became a hub of activity. The team worked hard and introduced popup events as well as a click and collect facility. This resulted in the generation of **£43,000** - a brand new income stream.

In the absence of a bricks and mortar selling platform, a mail order catalogue featuring new goods was created and developed and posted out in conjunction with quarterly fundraising mailings.

18,053
Lottery
Members

Lottery

Since the onset of COVID 19 restrictions, plans were put in place to switch lottery recruitment from door-to-door to telephone recruitment.

Lottery membership at the end of March 2021 was **18,053** with an average of **78%** of members playing each week. During the 2020/21 financial year, membership grew by **5%** and the average number of active players grew by **9%**.

The number of canvassing companies were increased from one to three to gain flexibility in our approach to canvassing.

We continued to signup new lottery members via the lottery website at an average of **12** new plays each week with a total of **630** during the year.

The lottery received **1** complaint in 2020/21.

New initiatives

Due to a restructure of the retail operations, the bridal shop is to be relocated to the top floor at Stockport.

The online operation is set to expand with the introduction of two new roles in order to facilitate the ongoing revenue growth and potential opportunities in this sector.

The expansion of e commerce will continue with the introduction of the Depop and vintage sales platforms.

The new goods catalogue is to be developed in both frequency and range.

A new 5 year strategic plan will be developed to incorporate new initiatives and the ever changing face of retailing.

Marketing & Communications

Communications has arguably never been more important than this year, with changes to government restrictions, adaptations to our services to ensure we could continue to safely meet the needs of patients, regular changes to our retail offerings, and a range of fundraising appeals and activities all needing to be communicated in a timely, efficient and effective manner.

We have successfully increased activity across all elements of the marketing and communications mix again this year, leading to further growth in both the number of people reached and their engagement with our content.

- In this period, we generated **1,272** pieces of press coverage, reaching **112,921,083** people.

Numerous projects to test efficacy of - and engagement with - various pieces of digital content, to improve our online visitor journey and increase visitor numbers and reach proved successful this year. This work resulted in:

- An increase in the reach of our posts on Facebook and Twitter from **3,133,698** in 2019-20 to **3,842,535** in 2020-21.
- An increase in the number of visitors to the hospice website from an average of **9,403** per month in 2019-20 to **11,719** in 2020-21.
- An increase in followers across our Facebook, Twitter, Instagram, Linked In and YouTube accounts, totalling **28,618** at the end of March 2021.

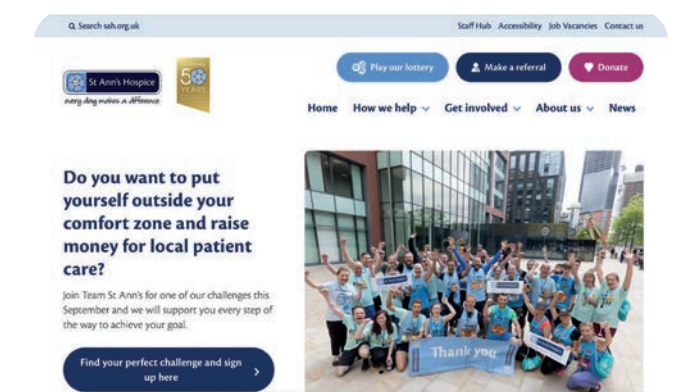
The multiplatform content creation and focus on storytelling has further helped to engage audiences and dispel myths around the care we provide and has

also enabled us to reach out to communities across Greater Manchester and beyond.

Content delivered includes blogs, videos, news stories, printed materials, photography, speaking opportunities, award entries, face-to-face engagement and numerous cross-channel campaigns supporting both fundraising activity and our service provision.

Our internal communications also remain a vital part of our work, ensuring that our staff and volunteers have access to the most up to date information, whilst also supporting them with their health and wellbeing. The team, in partnership with the hospice's HR department, developed a Wellbeing Festival which was held in January, and comprised a range of live and on-demand events and activities, as well as a range of resources aimed at raising awareness of health and wellbeing support available to employees. It also helped increase engagement with the organisation's Staff Hub intranet site, with around three quarters of staff accessing resources at that time.

The move from a transactional approach to communications to more strategic led activity will continue in the coming year, and is especially important as we work towards the launch of our capital campaign for our new hospice in Heald Green.



1,272
pieces of press coverage



28,618



11,719 website visitors a month

Our Response to the COVID-19 Pandemic

No one would ever imagine that we would still be in the midst of a global pandemic. The last few years have been one of the most challenging in our lifetime. Everyone has been affected, both personally and professionally, but we are still here, thriving, surviving, and adapting. We have all shown compassion and professionalism in all that we do.

The world around us is changing at a rapid pace, and we are extremely proud of the way every team across the organisation has pulled together to respond to the changing needs of our patients, the evolving guidance on COVID-19, and the various new ways of working. Hospices are crucial partners in the delivery of highly specialist palliative and end of life care, and we demonstrate enormous benefit to the wider health and social care system across the Greater Manchester and Cheshire area.

All the teams across the organisation, whether that is at our hospice sites, our community services, or the Trading Company, have all worked tirelessly to ensure we can continue to deliver world-class innovative care and support to our patients and their families. St Ann's response to the impact of COVID-19 continues to be managed through service preparedness, resilience and response structures, and well-documented processes. The health, safety, and wellbeing of our patients, staff, and families remains our absolute priority.

During this challenging time, we have been responsive and identified opportunities to adapt and flex our service delivery to continue to meet the needs of our patients and those close to them. We have kept abreast of the ever-changing government guidelines as well as those from Public Health England. We have gone above and beyond to ensure our staff have been consulted and communicated with at every step. We have maintained our performance as agreed with our commissioning colleagues and continued with our quality improvement projects despite the challenges of the pandemic.

The majority of outpatient services have been conducted via telephone or virtual platforms, and medical consultations are done via AccuRX; a virtual secure platform used across the wider healthcare system. A proportion of our patients are in the

highly vulnerable or shielding category so unable to visit the hospice for an appointment. Patients and families have really valued this service, and anecdotal feedback as well as the NHS Friends and Family Test, all demonstrated that patients and their families feel supported.

Collaboration is always something we pride ourselves on, with the last few years being no exception; we have been even more proactive and responsive to our partners. We have been involved in mutual aid conversations with the neighbouring NHS Trusts and clinical commissioning groups. We have been the regional PPE hub for hospices, receiving weekly deliveries and distributing stock across many hospices in the North West. We have built a positive and collegiate relationship with our local infection prevention and control team at Manchester University NHS Foundation Trust (MFT) via an SLA that was already in place prior to the pandemic. This has proved invaluable when interpreting the latest and constantly changing guidance for health and social care settings.

The inclusive approach to effective communication internally was exceptional, with the support of our business continuity and risk management plan and process, instigating daily and weekly calls with the executive leadership team, heads of department, trustee representation, representatives from the clinical commissioning group, and infection prevention and control too.

All staff had an individual risk assessment completed with their line manager and any risks and appropriate actions identified. Staff wellbeing has been a priority and we listened and responded to staff need. The pandemic has had an impact on everyone's working and home life, and alongside safety, it was also important to consider emotional and practical support for staff.

Staff support ranged from developing a section on the Staff Hub for COVID-19 related information and creating a "time-out" room for reflection, to contacting local supermarkets to ensure hospice staff could take advantage of priority opening times. In addition, we provided our staff with resources to enable them to digitally upskill as the requirement to use new remote tools and technologies increased.

Relationships were built with the Greater Manchester Resilience Hub, which is providing staff with additional support. The hub also supported the hospice during our annual Wellbeing Festival and with staff, both individually and within teams. We have trained 10 staff in new roles of Mental Health First Aiders. We have continued to deliver and offer Schwartz rounds for people to listen and reflect on their own wellbeing and experiences. We continued to deliver our LEN (Leadership Exchange Networks) workshops, for staff to take stock of their own leadership styles and necessary behaviours and resilience to enable them to lead themselves and their teams through the crisis.

We have regularly reviewed our hospice sites and shops to ensure the environment is safe and compliant with Public Health England and Government guidelines. Measures have been taken across all sites to ensure social distancing and safe working practices. Cleaning regimes have been stepped up, with a particular focus on touch points; protective screens are in place, appropriate signage has been displayed, and the number of hand sanitizer stations has increased.

The facilities teams have repurposed rooms to ensure social distancing and ensured all locations were equipped with appropriate technology to support

virtual appointments and meetings. We have invested in IT hardware to ensure those staff who can or need to work from home or have a hybrid-working pattern.

We were proactive in ensuring all patients and staff were able to access appropriate COVID-19 testing, and we also introduced regular lateral flow tests (LFTs) for asymptomatic staff, volunteers, and visitors.

We ensured access to COVID-19 vaccines for staff and business critical volunteers was high priority by using our strong relationships with local partners. Frontline staff were offered the vaccine in December 2020 via Stockport Metropolitan Borough Council and Stepping Hill Hospital. Uptake of the vaccine has been good and feedback has been positive.

Following the announcement of the Government roadmap, the Director of Clinical Services has led on a piece of work to develop a clinical roadmap specific to St Ann's. Each team leader was asked to share their ideas on how their service may recover with suggested timeframes. The roadmap will enable clinical teams to have a clear vision of how services will start to recover and adapt over the coming months. We will take a cautious approach and be flexible to changes in relation to the pandemic. This document has been shared across other teams and is delivered in conjunction with the Head of Facilities.

We will continue to monitor, measure, and reflect on the quality of the services we provide as we come out of the pandemic. We will constantly adapt and actively seek where improvements can be made. We want to ensure our work and the services we provide are always high quality, effective, efficient and dynamic as we face the future together.



Review of 2020-2021 Priorities

1. Develop our clinical and medical ambitions to further enhance our patient and family services

All band 5 staff nurses now have a live competency framework document which supports their development, conveys expectations, and rewards consistent good performance. All clinical patient-facing staff are able to demonstrate they have competent communication skills relevant to their role. We have started to embed a culture of rehabilitative palliative care focussed on personal priorities and was evaluated by the CCG through the Commissioning for Quality and Innovation (CQUIN) scheme. Patients can now access inpatient unit beds at weekends in a timely manner and have a senior medical review at weekends (if appropriate). In addition, staff from across the hospice have been widely consulted on requirements for our new build at Heald Green and our refurbishment at Little Hulton.

2. Ensure the organisation maintains its resilience and sustainability beyond the COVID-19 pandemic

The COVID-19 pandemic has presented a number of immediate and long-term challenges to our organisation, but at the same time, it has presented opportunities and new ways of working. More detail about our response to the COVID-19 pandemic can be found in the previous section of this document.

3. Drive a culture of continuous improvement through high performing, resilient, and efficient teams and individuals

We have continued to review our strategy, our structure, and the roles within it, embedding a culture of change that drives efficiencies. We have asked all leaders to prepare succession plans for business critical roles within their areas, identifying training and development needs for individuals that will support their development and retain our talented staff.

We have introduced a number of wellbeing initiatives including a monthly wellbeing newsletter "Wellbeing Matters", an annual wellbeing day, and access for all staff to the Greater Manchester Resilience Hub.

We have introduced formal proposals to review our pay structure to keep pace with the NHS and ensure staff engagement and recognition through the introduction of competency frameworks. Work is ongoing and we hope to start implementation the latter half of the financial year.

4. Obtain successful planning permission for our new world-class hospice facility at Heald Green

On 29th April 2021, Stockport Metropolitan Borough Council overwhelmingly voted in favour of our planning application and granted us planning permission to build our new world-class hospice facility on adjacent land at Heald Green. Outline planning

permission was also granted for up to 40 dwellings on our existing land that will be used to fund the construction cost.

5. Launch our ambitious capital fundraising campaign alongside our 50th year celebrations

St Ann's Hospice celebrated its 50th birthday in May 2021, a milestone only few hospices have achieved. We used our 50th birthday to promote and intensify our fundraising by significantly increasing the amount of press coverage. Our website and all our social media channels experienced a huge increase in traffic and engagement. This helped raise awareness and drive new supporters to our fundraising products.

We have launched our capital fundraising campaign to high-net-worth individuals and corporates as we remain in the 'quiet' phase and the advanced stages of planning. We aim to go public just before construction begins and will run a number of themed sub-campaigns over the course of the building project, using specific movements in time as the hook e.g. help us build our foundations, raise the roof, landscape our gardens etc.



Our priorities for 2021-2022

Our Five-Year Strategy 2017-2022 outlines what we hope to achieve as an organisation over a five-year period. As you would expect, at the heart of that strategy are our patients and their families. Everything we do at St Ann's is aimed at ensuring they have the best possible levels of care.

Our priorities for the coming year define and determine our areas of focus so that we can maximise our impact and ensure we remain on track to deliver what we set out to in 2017. The priorities below are not a comprehensive list of everything we will do this year, it sets out where we will focus our efforts whilst retaining the flexibility to address new priorities and respond to emerging issues.



Ensure the organisation is ready to start construction of the new Heald Green building by Q2 2022

- In April 2021, we were granted planning permission for a new world-class hospice facility on land adjacent to the existing site, including outline planning for 40 housing units on the hospice's existing site.
- We will work closely with our expert consultants to agree the planning conditions and negotiate the complex Section 106 clauses, so a final decision notice is issued promptly.
- The design team will accelerate their work to ensure a final design is ready to put out for tender, with the expectation that a building contractor will be selected and ready to start on site by Q2 2022.
- Fundraising relationships that have been developed over the past few years with Charitable Trusts and Foundations, Major Donors, and Corporates will now be utilised; applications will be submitted and direct asks will be made.
- We will approach organisations and individuals who have expressed interest in purchasing our existing land for development and advance conversations to explore funding options that will benefit the hospice during the construction phase of the new facility.

Review our pay structure to ensure we remain competitive, encourage staff development, and reward achievement



- Consider alternative structures for pay progression which enables competitiveness, fairness and ensures recognition
- Seek feedback from staff on alternatives to the current pay structure working closely with them to develop enhanced processes for reward.
- Assess the impact of previous pay award including the ability to recruit and retain high performing individuals.
- Monitor the impact of NHS pay awards and benchmark other external organisations to ensure the hospice remains competitive.

Continuously develop and deliver our clinical services roadmap for recovery from the COVID-19 pandemic



- Embed the transformations within clinical services to support recovery from the COVID-19 pandemic and longer-term changes; including the redesign of clinical pathways and continued use of digitally

enabled care to improve and ensure a blended, timely and safe approach to clinical services.

- Continue to care for our inpatients by identifying and working to the COVID-19 pathway guidance including access to the required level of PPE for staff.
- Monitor the impact of COVID-19 on all clinical services and resume our face-to-face support within the hospice for our community-based patients to ensure that the hospice remains a place of choice.
- We will review the clinical volunteer roles and reintroduce volunteers safely back into our clinical services
- Continue to explore collaborative opportunities with NHS Foundation Trusts and other providers of health and care and share best practice.



Enhance our governance for clinical quality and improvement to ensure our inspection readiness state is maintained

- We will assess and embed incident management within the hospice ensuring that continuously improving patient safety involves the hospice building on the foundations of a patient safety culture and better use of systems.

- Undertake a review of risk management within the hospice utilising Pineapple and a more robust risk management policy.
- To explore further quality improvement work across the organisation.
- We will deliver internal and external training and education projects and launch those which were placed on hold due to the COVID-19 pandemic, ensuring a well-trained and compliant workforce.
- We will continue to monitor, measure and reflect on the quality of the services we provide and actively seek new ways to obtain feedback and establish where improvements can be made

Complete the first phase of our redevelopment and refurbishment work at our Little Hulton site.



- Work has been carried out in consultation with staff and architects to develop a strategy for the space and the needs of service users and staff at the Little Hulton site.
- The focus is on a reconfiguration of rooms to enhance the existing building to support the provision of world-class care and to redevelop the site's Coffee Shop.

- Construction started on site in July 2021 and will follow a 12-week project plan with the expectation that all work is complete by November 2021.
- Phase 1 of the work will be supported financially by a major donor, with funding to be sought from other sources, including Charitable Trusts and Foundations, for subsequent phases.



Manchester's New Hospice

St Ann's is one of the oldest and largest hospices in the UK, caring for people throughout Greater Manchester. Thanks to the generosity and support of our local community we opened our doors 50 years ago, to look after people with life-limiting illnesses, and to provide support for their families.

We now need a new, purpose-built hospice that will serve the needs of our community now and in the future. If we do not act now, we're at real risk of closing services in the near future. We will create a new hospice facility in Heald Green that ensures we can continue to deliver pioneering, world-class care for people in Greater Manchester for generations to come.

Background & Vision

St Ann's new hospice will be a complete care facility in Greater Manchester that people can come to from diagnosis of a life-limiting illness, through treatment, and beyond. Our holistic approach to care will meet the complete medical, physical and spiritual needs of patients and their families, in an environment that is welcoming, caring and fully equipped with modern facilities.

Our new hospice will be a model of future hospice care; it will give us space to expand our work, becoming a centre of training and excellence and a hub of innovation, working with partners in palliative and end of life care across Greater Manchester. We know that care will change as the needs of our patients change, and we will be equipped for these changes so that we can always be at the forefront of innovative care – in the next 10, 50, or 100 years and beyond.

World-Class Facilities

The building will offer more flexible accommodation which will mean we can increase our admissions, and care for patients with complex needs more easily. People will benefit from improved privacy to attend consultations, assessments, activities and counselling therapies in a way that suits them; inpatients will have increased dignity with their own

private space and facilities, and staff will benefit from an easier working environment and be able to focus more time on caring directly for patients.

The Being You Centre will be transformed by the increased space, offering an integrated dining area and lounge, consulting rooms for outpatient services – including counselling, patient and family support, and complementary therapies – and

a fully equipped physiotherapy suite. Surrounding the whole facility will be landscaped gardens accessible to all patients and visitors.

The new hospice building will deliver improved social and financial sustainability, offering a training suite and bistro as available spaces for use by the local community. The environment focussed design will use the latest green initiatives. Ultimately, it will mean a better working environment for staff and volunteers and vitally, result in a hospice that will be able to care for whoever needs it for a further 50 years and more.

Planning & Construction

On 29th April 2021, at the Planning & Highways Regulation Committee for Stockport Metropolitan Borough Council, the hospice requested full planning permission for the demolition of all existing buildings and the development of a new hospice facility, including access and landscaping. In addition, the hospice requested outline planning permission with all matters reserved, except for access for a residential development of up to 40 residential dwellings, landscaping, and other associated infrastructure on the existing hospice site. It was resolved (11 for, 1 against) that planning permission be granted.

Over the coming year, we will work with our expert consultants and legal team to agree and negotiate the planning conditions and a section 106

agreement. Once these are finalised, the planning authority will issue the decision notice and the hospice will complete the purchase of the land. Our design team will continue to work in consultation with hospice staff and volunteers to complete the final design before it is put out for tender.

We will also approach a number of individuals and organisations who have expressed an interest in purchasing our land in the future for housing development. We will investigate whether there are any opportunities for unlocking a proportion of the value of our land to support us during the construction period.

Capital Fundraising Campaign

This is an ambitious £20 million project. But, it is essential so that we can continue to provide our care into the future, and ensure the palliative and end of life care needs of patients in Greater Manchester can be met.

With the plans now in place, we now need to raise the funds to ensure that this vision becomes

the reality. We have designated **£13,778,294** of our reserves towards the project; this is over 50% of the total amount required, but with no statutory funding available for hospice buildings, we need to raise the rest.

Following a number of years of extensive research and planning, we have launched an ambitious capital fundraising campaign. We plan to submit grant applications to charitable trusts and foundations, and make direct asks to individuals and corporations who have the capacity and propensity to give. When we are ready, we will launch a large public campaign that engages with the local and wider community to help us raise the final amount. We anticipate fundraising to continue whilst the building is under construction. We will use the various stages of construction to support the public campaign message, for example, help us cement our foundations for the future, or buy-a-brick to build the walls of our new hospice.



Financial Review

The accounts for the year have been prepared in accordance with the Statement of Recommended Practice Accounting and Reporting by Charities (SORP 2019) and comply with all statutory requirements and the hospice's governing document.

The accounts consolidate the results of the hospice and its trading subsidiary.

The Trustees report a net increase to overall funds for the year of £5.1 million (2019/20: £1.2 million decrease) and an overall funds balance of £18.8 million at 31st March 2021 (£13.6 million at 31st March 2020). The financial position of the group is set out in the balance sheet on page 55. The Reserves Policy relating to the funds held by the hospice is described in the Reserves Policy below.

Income and expenditure

The Statement of Financial Activities is set out on page 54 of these financial statements. From an operating point of view 2020/21 showed a surplus before investment (losses)/gains and pension liability movements of £2,363k (2019/20: deficit of £257k).

The hospice's principal sources of income are donations, legacies, NHS income and trading profits. Total income in 2020/21 was £14.6 million (2019/20 £12.5 million), an increase of 16.6%.

Income from donations is down this year at £2.2 million, an 2.4% decrease compared to the previous year (2019/20: £2.3 million).

Legacy income is 3.1% down this year (£2.4 million), recognised as received or as due under FRS102 (2019/20: £2.5 million).

Funding from NHS Clinical Commissioning Groups amounted to £5.1 million, an increase of 7% due to additional Covid 19 support (2019/20 £4.8 million).

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 turnover of the Trading Company has decreased to £2.3 million compared to £2.6 million in 2019/21. An effect of the closure of the shops for a significant part of the year. The amount gifted to the hospice is

£0.6 million, 7.9% decrease compared to 2019/20.

Investment income and interest receivable in 2020/21 was £0.1 million, this is a decrease of 44% compared with 2019/20 of £0.2 million.

The cost of Charitable Activities reduced slightly by 1.7% from £10 million in 2019/20 to £9.8 million in 2020/21. We continue to review our cost base to ensure that we are providing our services as efficiently as possible.

The actuarial gain in the pension fund is £1.6 million (2019/20 £0.6 million loss). In the Statement of Financial Activities there is a decrease in the liability to £2.4 million (2019/20 £3.9 million). The pension liability and its impact on the hospice's financial position is monitored closely by the Trustees of the St Ann's Pension Scheme. The major financial assumptions used to calculate the Pension Scheme Liability are shown in Note 22 to the Accounts.



Investment Performance, Policy and Management

At 31st March 2021 the value of the investment portfolio was £4.6 million (see note 15); a decrease of £1.8 million compared to 31st March 2020 balance of £6.4 million. During the year, income earned on the portfolio was reinvested. On a total return basis (income plus capital change), the portfolio experienced a return of 27.03% compared to the benchmarks, the WMA Income index and Brewin Dolphin's benchmark, which experienced returns of 22.16% and 21.21% respectively. There has been a significant recovery this year as the impact of COVID subsides. Once again this year, the portfolio significantly outperformed its benchmarks.

The investment managers have been given delegated responsibility to manage the investment portfolio, subject to agreed asset allocations. Funds are invested in a portfolio of UK and overseas equities, fixed interest investments, and alternative investments such as property and cash. Investment performance is reviewed quarterly at each Finance Committee.

The investment policy is to seek the best financial return within an acceptable level of risk and the investment objectives are a balance between income and capital growth.

Investments made on behalf of the hospice are restricted in that no investments may be made directly in companies manufacturing tobacco related products.



Policy on Reserves

A Statement of Unrestricted Funds is shown in Note 22 to the Accounts. The Charities SORP defines reserves as that part of a charity's funds that is freely available to spend. The Trustees have agreed that these free reserves should not normally exceed one year's running costs. The free reserves at 31st March 2021 are £3.1m (2019/20: £5.0 million) which represents three months of normal running costs for the hospice (2019/20: between five and six months).

The Charities SORP specifically allows for funds held as "tangible fixed assets for charity use" to be excluded from free reserves. The Trustees therefore set aside a designated fund of £1.7 million, equal to the net book value of tangible fixed assets (2019/20: £4.3 million). This amount has reduce significantly as the Trustees unanimously agreed to remove the proportion of funds attributed to the Heald Green site due to the forthcoming rebuild project and the planned demolition of the building on this site.

In addition, the Trustees have designated a fund to be held for Property Refurbishment and Development which totals £13.8 million (2019/20: £4.1 million). This fund relates mainly to the Heald Green site and reflects the immediate requirement to set aside funds towards the rebuilding of our new hospice to meet the increasingly complex clinical and care requirements of patients.



Strategic Risks

St Ann's Hospice recognises the risks associated with voluntary income from fundraising, particularly legacies, which is an income stream that fluctuates unpredictably. Changes to legislation, downturns in the economy and activity from other charitable organisations, whether within or outside the hospice sector may all impact on fundraising revenue.

In mitigation of the potential risks, the Trustees regularly review external influences and legislative implications. We take a proactive approach in encouraging supporters to consider legacies and a strategic approach to securing Trusts and grant awards for both restricted and unrestricted monies. The St Ann's Trading Company Board and management team monitor performance of the retail outlets and lottery against budget, forecasts and trends.

In April 2019 St Ann's Hospice renewed the Clinical Commission Group consortium. This is a 3 year contract with the option to extend for a further 2 years.

St Ann's Hospice continues to work collaboratively with Greater Manchester hospices to measure the impact of the devolved Greater Manchester Health and Social Care Partnership, which is considering options in the commissioning structure. The hospice team has regular, strategic engagement with the CCGs regarding funding that may be allocated according to levels of clinical activity and service delivery.

The hospice has identified a number of projects to assist with achieving its business objectives and ensuring and protecting financial viability. Some projects may result in changes for the existing workforce and will require appropriate levels of effective leadership in order to achieve success.

The hospice manages this risk by utilising a range of methods to communicate and update staff, including HR and executive director surgeries and open meetings. The 'managing change' workshop continues to link with INSPIRE and ASPIRE development programmes.

During the last year the hospice has developed a bespoke system to manage strategic and operational risks across the organisation. The intuitive and user-friendly system will support the hospice to

manage individual risks using mitigating actions and risk controls. The system allows users to create and update individual risk registers, view the audit history to understand how risks have changed over time, and evidence that risk owners are regularly reviewing and updating their risks.

Going Concern

The Trustees are satisfied that the hospice has considerable financial resources available to be financially viable for the next twelve months. The hospice's first quarter income has outperformed budget with legacies and the Trading Company doing particularly well.

The hospice has also made significant savings in expenditure from a wide range of areas due to the changes in working practices. Consequently, the Trustees believe that, overall, the hospice is in a strong position to manage its business risks successfully. Accordingly, they continue to adopt the going concern basis in preparing the Annual Report and Financial Statements.



Trustees' Responsibility Statement

The trustees (who are also directors of St Ann's Hospice for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company and the group for that period. In preparing these financial statements, the trustees are required to:

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

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

In so far as the trustees are aware:

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

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

The Trustees report, including the Strategic Report, was approved by the Board and signed on its behalf

Jacqueline Oldham

Professor Jacqueline Oldham BSc (Hons) RGN PhD
Chair of St Ann's Hospice
Date: 14th December 2021

Consolidated statement of financial activities

(including consolidated income and expenditure account)

For the year ended 31st March 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Voluntary income					
Donations and legacies	3	4,414,121	243,126	4,657,247	4,755,048
Charitable activities	4	4,112,568	3,410,036	7,522,604	4,840,268
Other trading activities	5	2,277,366	-	2,277,366	2,714,547
Other Income	6	11,106	-	11,106	-
Investments	7	105,583	-	105,583	188,368
TOTAL INCOME		10,920,744	3,653,162	14,573,906	12,498,231
EXPENDITURE ON:					
Raising funds	8	2,380,997	-	2,380,997	2,756,035
Charitable activities	9	6,312,039	3,517,412	9,829,451	9,998,951
TOTAL EXPENDITURE		8,693,036	3,517,412	12,210,448	12,754,986
Net income/(expenditure) before investment gains/(losses)		2,227,708	135,750	2,363,458	(256,755)
Net Gains/(losses) on Investments	16	1,160,259	-	1,160,259	(352,060)
Net income/(expenditure) before tax	10	3,387,967	135,750	3,523,717	(608,815)
Taxation	13	23,420	-	23,420	(29,496)
Net income/(expenditure) for the year		3,411,387	135,750	3,547,137	(638,311)
Transfer Between Funds	22	91,089	(91,089)	-	-
Other Recognised Gains/(Losses):					
Actuarial Gains/(Losses) on Defined Benefit Schemes	24	1,595,000	-	1,595,000	(560,000)
NET MOVEMENT IN FUNDS		5,097,476	44,661	5,142,137	(1,198,311)
FUND BALANCES BROUGHT FORWARD AT 1st April					
		13,423,988	197,383	13,621,371	14,819,682
FUND BALANCES CARRIED FORWARD AT 31st March					
	22	18,521,464	242,044	18,763,508	13,621,371

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

The surplus/(deficit) of the parent charity for the year for Companies Act purposes is 5,142,137 (2020 (£1,198,311)).

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented in respect of the parent charity.

See note 21 for the comparative consolidated statement of financial activities analysed by funds.

BALANCE SHEET

As at 31st March 2021

	Note	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
FIXED ASSETS					
Tangible assets for use by the charity	15	4,557,816	4,671,078	4,542,612	4,640,185
Investments	16	4,580,913	6,354,727	4,580,915	6,354,729
		9,138,729	11,025,805	9,123,527	10,994,914
CURRENT ASSETS					
Stocks	17	44,287	56,965	546	546
Debtors	18	3,396,269	2,796,781	3,665,928	2,852,889
Cash at bank and in hand	19	9,715,423	4,907,400	9,212,553	4,565,580
		13,155,979	7,761,146	12,879,027	7,419,015
CREDITORS: amounts falling due within one year	20	(1,111,200)	(1,262,580)	(819,046)	(889,558)
NET CURRENT ASSETS		12,044,779	6,498,566	12,059,981	6,529,457
TOTAL ASSETS LESS CURRENT LIABILITIES					
LIABILITIES		21,183,508	17,524,371	21,183,508	17,524,371
NET ASSETS EXCLUDING PENSION LIABILITY					
		21,183,508	17,524,371	21,183,508	17,524,371
PENSION LIABILITY	24	(2,420,000)	(3,903,000)	(2,420,000)	(3,903,000)
NET ASSETS INCLUDING PENSION LIABILITY					
		18,763,508	13,621,371	18,763,508	13,621,371
FUNDS					
Unrestricted Funds		18,521,464	13,423,988	18,521,464	13,423,988
Restricted funds		242,044	197,383	242,044	197,383
TOTAL FUNDS	22	18,763,508	13,621,371	18,763,508	13,621,371

These financial statements of St Ann's Hospice, (registered number 00947220), were approved by the Directors and authorised for issue on 14th December 2021. They were signed on its behalf by:

Mr Darren Holt

Honorary Treasurer



CASH FLOW STATEMENT
For the year ended 31st March 2021

	Group 2021 £	Group 2020 £
Net cash flow used in operating activities	1,958,841	(693,438)
Cash flows from investing activities:		
Interest received	9,640	38,928
Investment net proceeds	2,934,072	(117,438)
Investment income received	95,943	149,440
Proceeds from sale of equipment	-	1,000
Purchase of property, plant and equipment	(190,471)	(498,578)
Net cash flows used in investing activities	2,849,184	(426,648)
Net increase/(decrease) in cash and cash equivalents	4,808,025	(1,120,086)
Cash and cash equivalent at beginning of year	4,907,400	6,027,486
Cash and cash equivalents at the end of the year	9,715,423	4,907,400
Reconciliation of net income and net cashflow from operating activities	Group 2021 £	Group 2020 £
Net income/(expenditure) before investment gains/(losses)	2,363,458	(256,755)
Adjustments for:		
Investment income	(95,943)	(149,440)
Interest Receivable	(9,640)	(38,928)
Corporation Tax Paid	(27,548)	-
Depreciation	303,733	320,342
Profit on sale of tangible fixed assets	-	(1,000)
	2,534,060	(125,781)
Decrease/(increase) in stock	12,678	(1,092)
Increase in debtors	(599,488)	(920,125)
(Decrease)/increase in creditors	(100,409)	172,560
Adjustment for pension funding	112,000	181,000
	1,958,841	(693,438)



Notes to the financial statements
For the year ended 31st March 2021

1. ACCOUNTING POLICIES

Company and charitable status

St Ann's Hospice, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently 11 Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 91.

Basis of accounting

The financial statements are prepared under the historical cost convention, with the exception of investments which have been included at market value, and in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities (SORP 2019)" 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; and the Companies Act 2006.

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

The charity and group's activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees' Report which also describes the financial position of the group including its cash, investments and reserves policies. The group forecasts and projections, taking account of reasonably possible changes in donations, legacies, fundraising activities and other income, show that the group should be able to operate with the current level of reserves it has. After making enquiries, the Trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

Basis of consolidation

Group financial statements have been prepared in respect of the charity and its wholly owned subsidiary undertaking St. Ann's Hospice Trading Company Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 15.

Cash flow statement

In accordance with FRS 102 the group is exempt from the requirement to present its parent charity cash flow statement.

Income

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

Donations and fundraising activities

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in the costs of raising funds. Cash collections to which the charity is entitled but which it has not received by the year end are included in income in the statement of financial activities and shown as debtors in the balance sheet.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

1. ACCOUNTING POLICIES (continued)

Income (continued)

Legacies

Legacies are accounted for when conditions for receipt have been met. Material legacies receivable at the year-end are included at their probate value.

Grants receivable

Income from grants is included in income when receivable, except as follows:

- When donors specify that grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until pre-conditions for use have been met.
- When donors specify that grants, including capital grants are particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when receivable.

Trading activities

Income from trading activities includes fundraising revenue as well as sales recognised in the group's trading subsidiary. The trading subsidiary's turnover represents the net amount receivable from all activities, excluding value added tax. Turnover from the sale of goods is recognised upon exchange of goods for payment. Income from lottery ticket sales comprises income in relation to draws held in the period and is recognised upon completion of the draw. Receipts in advance of future draws are included in deferred income until the date of the draw.

Investment income

Investment income is accounted for when receivable.

Donated goods and services

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the SORP 2019, general volunteer time is not recognised - refer to the Trustees' annual report for more information about their contribution.

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



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

1. ACCOUNTING POLICIES (continued)

Expenditure

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

The charity's operating costs include staff costs, premises costs, governance costs and other related costs. Such support costs are allocated between cost of raising funds and charitable expenditure. Staff costs are allocated according to the costs of staff working directly in the relevant activity and property costs are allocated according to the space used by each activity. Where costs are not directly attributable to any activity, they have been apportioned using an appropriate basis. Governance costs represent expenditure incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements

Charitable expenditure

Costs of activities in furtherance of the charity's objects include all expenditure directly related to the objects of the charity.

Cost of raising funds

Cost of raising funds includes the following:

- **Fundraising and publicity**
This represents expenditure in relation to staff members who are directly engaged in fundraising, and related costs of the fundraising activity.
- **Lottery and raffle prizes and organisation costs**
This represents expenditure by the trading company in relation to costs directly involved in organising the lottery and raffle, including the purchase of prizes and prize money.
- **Other costs associated with trading activities**
This represents other costs incurred by the trading company for fundraising activities.

Fund accounting

The charity maintains various types of funds as follows.

Restricted funds

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Unrestricted funds

- **General unrestricted funds**
General unrestricted funds represent funds which are expendable at the discretion of the Trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.
- **Designated funds**
Designated funds are amounts which have been put aside at the discretion of the Trustees.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

1. ACCOUNTING POLICIES (continued)

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, comprising UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the trading company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a nondiscounted basis.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Freehold buildings	50 years
Leasehold improvements	period of the lease
Leasehold buildings	period of the lease
Fixtures, furniture and equipment	4 years
Motor vehicles	4 years

Investments

The fall in the value of £1.8 million in the year is due to £3 million being withdrawn for the redevelopment project. Overall the investments have made a £1,160,259 gain in 2020/21 compared to a £352,060 loss in 2019/20.

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Current investments represent monies invested in short-term liquid money market instruments.

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slowmoving or defective items where appropriate. Items donated for resale are not included in the financial statements until they are sold.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Employee benefits

For defined benefit schemes the amounts charged to the Statement of Financial Activities are the costs arising from employee services rendered during the period and the cost of plan introductions, benefit changes, settlements and curtailments. They are included as part of staff costs.

The net interest cost on the net defined benefit liability is charged to the Statement of Financial Activities and included within support costs. Remeasurement comprising actuarial gains and losses and the return on scheme assets (excluding amounts included in net interest on the net defined benefit liability) is recognised immediately in the Statement of Financial Activities.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the group, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date.

For defined contribution schemes the amount charged to the Statement of Financial Activities in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Other long-term employee benefits are measured at the present value of the benefit obligation at the reporting date.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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.

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

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.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

3 ANALYSIS OF INCOME FROM DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	2,213,500	2,268,747
Legacies	2,410,253	2,486,301
Donations - HG Capital Project	33,494	-
	<u>4,657,247</u>	<u>4,755,048</u>

4 ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
NHS Contracts	5,124,219	4,788,183
Grants	110,909	52,085
Job Retention Scheme	78,921	-
Hospice UK	2,208,555	-
	<u>7,522,604</u>	<u>4,840,268</u>

5 ANALYSIS OF INCOME FROM OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising activities	8,424	68,238
Lottery and raffle income from trading subsidiary	1,463,381	1,405,902
Other income from trading subsidiary	612,262	1,240,407
Trading Company Job Retention Scheme	193,299	-
	<u>2,277,366</u>	<u>2,714,547</u>

6 ANALYSIS OF INCOME FROM OTHER INCOME

	2021	2020
	£	£
Other Income	11,106	-
	<u>11,106</u>	<u>-</u>

7 INVESTMENT INCOME

	2021	2020
	£	£
UK listed investments	95,943	149,440
Bank Interest	9,640	38,928
	<u>105,583</u>	<u>188,368</u>



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

8 ANALYSIS OF EXPENDITURE ON RAISING FUNDS

	2021	2020
	£	£
Employee costs	464,072	495,965
Office and sundry costs	63,393	87,067
Direct costs	116,715	156,455
Share of support costs	68,610	74,049
Lottery and raffle prizes and organisation costs	544,147	428,297
Other costs associated with trading activity	1,124,060	1,514,202
	2,380,997	2,756,035

9 ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly	Support costs	2021 Total
2021	£	£	£
Provision of Hospice services:			
In-patient Care	6,901,438	158,768	7,060,206
Day Therapy	950,159	21,964	972,123
Community Specialist			
Palliative Care Team	661,011	6,470	667,481
Hospice at Home	257,291	15,812	273,103
Education	340,112	-	340,112
Out-patients	510,073	6,353	516,426
	9,620,084	209,367	9,829,451

	Activities undertaken directly	Support costs	2020 Total
2020	£	£	£
Provision of Hospice services:			
In-patient Care	7,016,733	177,306	7,194,039
Day Therapy	999,819	25,514	1,025,333
Community Specialist			
Palliative Care Team	612,889	7,960	620,849
Hospice at Home	278,973	16,712	295,685
Education	322,800	-	322,800
Out-patients	533,610	6,635	540,245
	9,764,824	234,127	9,998,951



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

10 ANALYSIS OF SUPPORT COSTS

	In-patient care	Day therapy	Com-munity SPCT	Hospice at Home	Out-patients	Charitable Activities Total	Raising funds Total	2021 Total
	£	£	£	£	£	£	£	£
2021								
Governance	84,650	11,735	3,527	8,620	3,392	111,924	36,678	148,602
Finance	30,791	4,250	1,223	2,988	1,230	40,482	13,266	53,748
Information Technology	16,682	2,302	662	1,619	666	21,931	7,187	29,118
Human Resources	19,016	2,624	755	1,845	760	25,000	8,193	33,193
Communications	7,629	1,053	303	740	305	10,030	3,288	13,318
	158,768	21,964	6,470	15,812	6,353	209,367	68,612	277,979

	In-patient care	Day therapy	Com-munity SPCT	Hospice at Home	Out-patients	Charitable Activities Total	Raising funds Total	2020 Total
	£	£	£	£	£	£	£	£
2020								
Governance	90,724	13,151	4,337	9,106	3,409	120,727	38,183	158,910
Finance	44,046	6,289	1,843	3,869	1,641	57,688	18,245	75,933
Information Technology	16,366	2,337	685	1,438	610	21,436	6,780	28,216
Human Resources	18,985	2,711	794	1,668	707	24,865	7,864	32,729
Communications	7,185	1,026	301	631	268	9,411	2,977	12,388
	177,306	25,514	7,960	16,712	6,635	234,127	74,049	308,176



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

11 NET INCOME/(EXPENDITURE) FOR THE YEAR

	2021	2020
Net income/(expenditure) is stated after charging:	£	£
Depreciation of owned asset	178,163	201,901
Depreciation of leased assets	92,951	97,182
Depreciation of motor vehicles	32,619	21,259
Rentals under operating leases		
Land and buildings	190,035	238,184
Other	8,452	23,870
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's annual financial statements*	14,000	13,400
Fees payable to the charity's auditor for other services to the group	-	-
The audit of the charity's subsidiary	6,000	5,700

* Note: Deloitte LLP provide the audit of the statutory accounts at a discounted rate as a means to support the charity.
The amount disclosed is the fair value of the services provided, £14,000 (2020: £13,400) was recognised in the year as a gift-in-kind for the audit of the charity.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

12 ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

	Group		Charity	
The average monthly number of employees was:	2021	2020	2021	2020
	No.	No.	No.	No.
Charitable activity	226	216	226	216
Raising funds	20	20	18	18
Trading activities	32	37	-	-
Support	73	61	73	61
	351	334	317	295

Their aggregate remuneration comprised:

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	7,619,263	7,627,895	6,888,037	6,770,532
Social security costs	630,406	601,843	575,758	543,638
Pension costs	628,541	600,533	594,736	564,219
	8,878,210	8,830,271	8,058,531	7,878,389



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

13. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL (continued)

	2021 No.	2020 No.
£60,001 - £70,000	1	-
£70,001 - £80,000	2	2
£80,001 - £90,000	1	1
£90,001 - £100,000	2	1
£100,001 - £110,000	-	1

Key Management Personnel

The key management personnel of the parent charity and group are the same and are listed on page 91.
The total remuneration (including pension contributions and employer's national insurance costs) of the key management personnel of the charity and group for the year totalled £553,009 (2020 £555,866).

Trustees remuneration

No Trustees received any remuneration during the current or prior year. No travel and subsistence expenses were paid during the year (2020: £Nil)

14. TAX ON PROFIT OF TRADING SUBSIDIARY

The hospice is not liable to corporation tax. The tax charge, all of which arises in the trading subsidiary comprises:

	2021 £	2020 £
Current tax on profit		
UK corporation tax	41,124	92,092
Adjustments in respect of prior year	(64,544)	(62,596)
Total tax on profit	(23,420)	29,496

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19%. The actual tax charge for the year differs from the standard rate for the following reasons:

	2021 £	2020 £
Profit before tax	562,859	666,275
Tax on profit at the standard rate - 19%	106,943	126,592
Effects of:		
Gift aid donations at 20%	(111,393)	(99,585)
Expenses not deductible for tax purposes	1,487	2,741
Capital allowances (in excess of)/less than depreciation	1,065	(252)
Other timing differences	43,022	62,596
Adjustments to tax charge in respect of previous periods	(64,544)	(62,596)
Total tax (credit)/charge for the year	(23,420)	29,496

In March 2021, the Chancellor in the Budget Statement announced an increase in the rate of corporation tax to 25% with effect from 1 April 2023. This does not constitute substantive enactment and therefore deferred tax assets and liabilities at the balance sheet date continue to be measured at the enacted tax rate of 19%.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

15 TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY

GROUP	Assets Under Construction £	Freehold land and buildings £	Expenditure on leasehold property £	Leasehold buildings £	Fixtures, furniture and equipment £	Motor vehicles £	Total £
Cost							
At 1 April 2020	372,123	4,271,314	3,274,374	407,057	2,404,120	234,746	10,963,734
Additions	35,620	20,688	23,251	-	65,468	45,444	190,471
Disposal	-	-	-	(10,280)	-	(15,947)	(26,227)
At 31 March 2021	407,743	4,292,002	3,297,625	396,777	2,469,588	264,243	11,127,978
Accumulated depreciation							
At 1 April 2020	-	1,747,487	1,703,751	399,648	2,260,766	181,004	6,292,656
Charge for the year	-	84,999	88,549	4,402	93,164	32,619	303,733
Disposal	-	-	-	(10,280)	-	(15,947)	(26,227)
At 31 March 2021	-	1,832,486	1,792,300	393,770	2,353,930	197,676	6,570,162
Net book value							
At 31 March 2021	407,743	2,459,516	1,505,325	3,007	115,658	66,567	4,557,816
At 31 March 2020	372,123	2,523,827	1,570,623	7,409	143,354	53,742	4,671,078

CHARITY	Assets Under Construction £	Freehold land and buildings £	Expenditure on leasehold property £	Furniture and equipment £	Motor vehicles £	Total £
Cost						
At 1 April 2020	372,123	4,271,314	3,274,374	1,989,163	189,314	10,096,288
Additions	35,620	20,688	23,251	64,821	45,444	189,824
Disposals	-	-	-	-	-	-
At 31 March 2021	407,743	4,292,002	3,297,625	2,053,984	234,758	10,286,112
Accumulated depreciation						
At 1 April 2020	-	1,747,487	1,703,751	1,868,848	136,017	5,456,103
Charge for the year	-	84,999	88,549	81,452	32,397	287,397
Disposals	-	-	-	-	-	-
At 31 March 2021	-	1,832,486	1,792,300	1,950,300	168,414	5,743,500
Net book value						
At 31 March 2021	407,743	2,459,516	1,505,325	103,684	66,344	4,542,612
At 31 March 2020	372,123	2,523,827	1,570,623	120,315	53,297	4,640,185



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

16 FIXED ASSET INVESTMENTS

	Group & Charity	
	2021	2020
	£	£
Market value at 1 April 2020	6,354,717	6,589,339
Additions	1,298,605	2,084,760
Disposals proceeds	(4,238,010)	(1,984,857)
Net Investment Gain/(Loss)	1,160,259	(352,060)
Movement in cash held by investment managers	5,334	17,535
Market value at 31 March 2021	4,580,903	6,354,717
Cost at 31st March 2020	6,354,717	6,287,058
Market value analysed between:	£	£
Investments	4,435,853	6,214,999
Cash held by investment managers	145,050	139,718
	4,580,903	6,354,717
Investment in Hospice Quality Partnership	10	10
Total Group Investment	4,580,913	6,354,727
Investment in Subsidiary Trading Company	2	2
Charity Investment	4,580,915	6,354,729

The Hospice Quality Partnership Company is owned by Hospices and was formed to help hospices save money by improving procurement, reducing operating costs and sharing data for best practice.

The charity owns the entire issued ordinary share capital of St Ann's Hospice Trading Company Limited, a company incorporated and registered in England and Wales, whose principal activity is the management of the charity's trading activities.

The result of the charity's trading activities through its subsidiary is detailed below. St Ann's Hospice Trading Company Limited's taxable profits are donated to the charity annually.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

16 FIXED ASSET INVESTMENTS (continued)
RESULTS OF TRADING SUBSIDIARY

The results for St Ann's Hospice Trading Company Limited, a wholly owned subsidiary of St Ann's Hospice for the year ended 31 March 2021 are given below.

	2021	2020
	£	£
Turnover	2,268,942	2,646,309
Cost of sales	(246,478)	(306,038)
Gross profit	2,022,464	2,340,271
Administrative expenses	(1,459,729)	(1,674,461)
Operating profit	562,735	665,810
Interest receivable	124	465
Profit before taxation	562,859	666,275
Tax on profit	23,420	(29,496)
Profit for the financial year attributable to the equity shareholders of the company	586,279	636,779

Statement of changes in equity

	Profit and loss account
	£
Balance at 1 April 2019	-
Profit after tax for the year	636,779
Gift aid distribution	(636,779)
Balance at 31 March 2020	-
Profit after tax for the year	586,279
Gift aid distribution	(586,279)
Balance at 31 March 2021	-

BALANCE SHEET

The aggregate of the assets and liabilities was:

	2021	2020
	£	£
Fixed assets	15,204	30,892
Current assets	677,442	704,979
Creditors: amounts falling due within one year	(692,644)	(735,869)
Total net assets	2	2

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

17 STOCKS				
	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Finished goods and goods for resale	44,287	56,965	546	546
18 DEBTORS				
	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	50,124	65,831	26,925	42,654
VAT Recoverable	513,443	486,333	507,093	479,903
Prepayments and accrued income	737,940	266,422	686,946	215,564
Other debtors	2,094,762	1,978,195	2,058,483	1,792,756
Amounts due from subsidiary company	-	-	386,481	322,012
	3,396,269	2,796,781	3,665,928	2,852,889
19 CASH AND CASH EQUIVALENTS				
	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Interest bearing accounts	9,712,053	4,904,263	9,211,028	4,564,288
Current accounts and cash	3,370	3,137	1,525	1,292
	9,715,423	4,907,400	9,212,553	4,565,580
20 CREDITORS (Amounts falling due within one year)				
	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade Creditors	398,650	454,591	344,603	454,111
Accruals and deferred income	449,073	465,265	272,853	232,711
Taxation and social security	157,805	165,426	145,856	148,051
Other creditors	64,548	85,206	55,734	54,685
Amounts due to subsidiary company	-	-	-	-
Corporation tax	41,124	92,092	-	-
	1,111,200	1,262,580	819,046	889,558

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

21 COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES				
		Unrestricted funds	Restricted funds	Total funds
		£	£	2020
		£	£	£
INCOME FROM:				
Voluntary income				
Donations and legacies	3	4,755,048	-	4,755,048
Charitable activities	4	3,838,491	1,001,777	4,840,268
Other trading activities	5	2,714,547	-	2,714,547
Investments	7	186,871	1,497	188,368
TOTAL INCOME		11,494,957	1,003,274	12,498,231
EXPENDITURE ON:				
Raising funds	8	2,756,035	-	2,756,035
Charitable activities	9	9,046,671	952,280	9,998,951
TOTAL EXPENDITURE		11,802,706	952,280	12,754,986
Net (expenditure)/income before investment gains		(307,749)	50,994	(256,755)
Net gains on Investments	16	(352,060)	-	(352,060)
Net (expenditure)/income before tax	11	(659,809)	50,994	(608,815)
Taxation	14	(29,496)	-	(29,496)
Net (expenditure)/income for the year		(689,305)	50,994	(638,311)
Transfer Between Funds	22	77,590	(77,590)	-
Other Recognised Gains:				
Actuarial Loss on Defined Benefit Schemes	25	(560,000)	-	(560,000)
NET MOVEMENT IN FUNDS		(1,171,715)	(26,596)	(1,198,311)
FUND BALANCES BROUGHT FORWARD AT 1st April 2019		14,595,703	223,979	14,819,682
FUND BALANCES CARRIED FORWARD AT 31st March 2020	22.23	13,423,988	197,383	13,621,371



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

22 STATEMENT OF RESERVES

2021 Group	At 1 April 2020 £	Income £	Expenditure (incl taxation) £	Gains £	Transfers £	At 31 March 2021 £
Unrestricted funds:						
General fund	4,997,156	10,920,744	(8,664,295)	2,755,259	(6,956,251)	3,052,613
Designated funds						
Fixed assets	4,298,955	-	-	-	(2,608,398)	1,690,557
Property refurbishment and development	4,127,877	-	(5,320)	-	9,655,737	13,778,294
Unrestricted funds	13,423,988	10,920,744	(8,669,615)	2,755,259	91,088	18,521,464
Restricted Fund						
Specific donations	197,383	3,653,162	(3,517,412)	-	(91,089)	242,044
	13,621,371	14,573,906	(12,187,027)	2,755,259	-	18,763,508
2021 CHARITY	At 1 April 2020 £	Income £	Expenditure (incl taxation) £	Gains £	Transfers £	At 31 March 2021 £
Unrestricted funds:						
General fund	5,028,047	9,275,957	(7,019,508)	2,755,259	(6,971,940)	3,067,815
Designated funds						
Fixed assets	4,268,062	-	-	-	(2,592,709)	1,675,353
Subsidiary	2	-	-	-	-	2
Property refurbishment and development	4,127,877	-	(5,320)	-	9,655,737	13,778,294
Unrestricted funds	13,423,988	9,275,957	(7,024,828)	2,755,259	91,088	18,521,464
Restricted Fund						
Specific donations	197,383	3,653,162	(3,517,412)	-	(91,089)	242,044
	13,621,371	12,929,119	(10,542,240)	2,755,259	-	18,763,508

The restricted reserves relate to donations or grants given with restrictions on the uses for the care of patients or for capital purchases. Once the capital purchases have been made the restriction is released and transferred to unrestricted funds.

To show urgency and their commitment to the Heald Green redevelopment project, the Trustees have agreed to designate further funds to the Property Refurbishment and Development fund for the construction of the new hospice facility at Heald Green. The amount in this fund has increased significantly this year due to the removal of the fixed asset fund attributed to the Heald Green building, and the reduction in free reserves from 6 months running costs to 3 months running cost.

The designated fixed asset fund represents the net book value of the Charity's tangible fixed assets. This is used to fund annual depreciation costs as allowed by the Charities SORP. During the year the Trustees agreed to remove the net book value of the Heald Green site from this fund due to the forthcoming rebuild project and the planned demolition of the existing site.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

22 STATEMENT OF RESERVES (continued)

2020 Group	At 1 April 2019 £	Income £	Expenditure (incl taxation) £	Losses £	Transfers £	At 31 March 2020 £
Unrestricted funds:						
General fund	5,602,861	11,494,957	(11,832,202)	(912,060)	643,600	4,997,156
Designated funds						
Fixed assets	4,492,842	-	-	-	(193,887)	4,298,955
Property refurbishment and development	4,500,000	-	-	-	(372,123)	4,127,877
Unrestricted funds	14,595,703	11,494,957	(11,832,202)	(912,060)	77,590	13,423,988
Restricted Fund						
Specific donations	223,979	1,003,274	(952,280)	-	(77,590)	197,383
	14,819,682	12,498,231	(12,784,482)	(912,060)	-	13,621,371
2020 CHARITY	At 1 April 2019 £	Income £	Expenditure (incl taxation) £	Losses £	Transfers £	At 31 March 2020 £
Unrestricted funds:						
General fund	5,644,996	9,522,962	(9,860,207)	(912,060)	632,356	5,028,047
Designated funds						
Fixed assets	4,450,705	-	-	-	(182,643)	4,268,062
Subsidiary	2	-	-	-	-	2
Property refurbishment and development	4,500,000	-	-	-	(372,123)	4,127,877
Unrestricted funds	14,595,703	9,522,962	(9,860,207)	(912,060)	77,590	13,423,988
Restricted Fund						
Specific donations	223,979	1,003,274	(952,280)	-	(77,590)	197,383
	14,819,682	10,526,236	(10,812,487)	(912,060)	-	13,621,371



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

23 ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds	Restricted funds	Total
	£	£	£
2021 GROUP			
Tangible fixed assets	4,557,816	-	4,557,816
Investments	4,580,913	-	4,580,913
Current assets	12,913,935	242,044	13,155,979
Current liabilities	(1,111,200)	-	(1,111,200)
Provision for pension scheme liability	(2,420,000)	-	(2,420,000)
At 31 March 2021	18,521,464	242,044	18,763,508
2021 CHARITY			
Tangible fixed assets	4,542,612	-	4,542,612
Investments	4,580,915	-	4,580,915
Current assets	12,636,983	242,044	12,879,027
Current liabilities	(819,046)	-	(819,046)
Provision for pension scheme liability	(2,420,000)	-	(2,420,000)
At 31 March 2021	18,521,464	242,044	18,763,508
2020 GROUP			
Tangible fixed assets	4,671,078	-	4,671,078
Investments	6,354,727	-	6,354,727
Current assets	7,563,763	197,383	7,761,146
Current liabilities	(1,262,580)	-	(1,262,580)
Provision for pension scheme liability	(3,903,000)	-	(3,903,000)
At 31 March 2020	13,423,988	197,383	13,621,371
2020 CHARITY			
Tangible fixed assets	4,640,185	-	4,640,185
Investments	6,354,729	-	6,354,729
Current assets	7,221,632	197,383	7,419,015
Current liabilities	(889,558)	-	(889,558)
Provision for pension scheme liability	(3,903,000)	-	(3,903,000)
At 31 March 2020	13,423,988	197,383	13,621,371



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

24 EMPLOYEE RETIREMENT BENEFITS

Group and charity

The charity has two active pensions schemes for staff and these are described below.

Pension Scheme	Contributions Paid 2021 £'000	Recognised in SoFA 2021 £'000
NHS Pension	375	375
Stakeholder	322	322
St Ann's Hospice Defined Benefit	22	2,157
	719	2,854

National Health Superannuation Scheme

The Hospice is an admitted body for the purposes of the National Health Service Superannuation Scheme and members of staff who are former NHS employees are able to continue membership of the Scheme during their employment at St Ann's.

The assets of the scheme are held separately by the National Health Service Superannuation Scheme.

Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees working lives with the group. This pension scheme does not have a real pension fund, but as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and Employers are paid to the Exchequer, which meet the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from Scheme members or Employers.

As a result of the nature of the pension scheme, there are no separately identifiable assets and liabilities which can be identified as relating to St Ann's Hospice therefore, the scheme has been accounted for as a defined contribution scheme.

The pension cost charge for the year amounted to £374,907 (2020: £330,327). An amount of £53,181 (2020: £49,546) is included in creditors, being the outstanding contributions to the scheme at the balance sheet date.

Stakeholder Pension Scheme

The group supports a Stakeholder Pension Scheme which has been offered to staff since the closure of the defined benefit scheme.

The stakeholder pension scheme is operated by Scottish Widows. Employee contributions are collected by St Ann's Hospice and the matching employers contribution passed to Scottish Widows.

All the assets of the scheme are held by Scottish Widows. As a result there are no separately identifiable assets or liabilities which can be identified as relating to St Ann's Hospice. Therefore the scheme has been accounted for as a defined contribution scheme.

The pension cost charge for the year amounted to £322,138 (2020: £305,458). An amount of Nil (2020: Nil) is included in creditors, being the outstanding contributions to the scheme at the balance sheet date.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

24 EMPLOYEE RETIREMENT BENEFITS (continued)

St Ann's Hospice Pension Scheme

The group operates a closed defined benefit scheme funded by contributions from members and from the group. The total pension cost of the group is assessed in accordance with the advice of an independent actuary.

The assets of the pension scheme are held in a separate trustee administered fund.

The most recent full actuarial valuation of scheme assets and the present value of the defined benefit obligations were carried out at 31 March 2018.

The Board of Directors are cognisant of their duty as an employer to ensure the solvency of the Pension Scheme. Therefore, in consultation with the Trustees of the St Ann's Hospice Pensions Scheme and upon advice of the actuary, the Board agreed in 2010 to a 10 year funding recovery plan for the Pension Scheme Trustees and salary capping for pension purposes has already been adopted. Other options may need to be considered in the future.

The present value of the defined benefit obligation, the current related service cost and past service cost were measured using the projected unit credit method.

The projected unit credit method is an accrued benefits valuation method in which the scheme liabilities make allowance for projected earnings. The accumulated benefit obligation is an actuarial measure of the present value for service already rendered but differs from the projected unit credit method in that it includes no assumptions for future salary increases.



NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

	2021	2020
	%	%
Discount rate	2.10	2.30
Expected return on assets	2.10	2.30
Rate of increase in salaries	1.00	1.00
Rate of increase in pensions in payment	3.50	2.70

Mortality Assumptions

Investigations have been carried out within the past three years into the mortality experience of the group's defined benefit schemes. These investigations concluded that the current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

	2021	2020
	years	years
Retiring today:		
Males	85.5	85.3
Females	87.5	87.3
Retiring in 20 years		
Males	87.1	87
Females	89.3	89.1

The amounts recognised in the statement of financial activities are as follows:

	2021	2020
	£000's	£000's
Current service cost	(44)	(124)
Interest on obligations	348	(388)
Expected return on scheme assets	258	308
Total operating charge	562	(204)
Actuarial gain/(loss)	1,595	(560)
Total cost recognised in the statement of financial activities	2,157	(764)

The amount included in the balance sheet arising from the group's obligations in respect of its defined benefit scheme is as follows:

	2021	2020
	£000's	£000's
Present value of defined benefit obligations	16,200	15,400
Fair value of scheme assets	(13,780)	(11,497)
Net liability recognised in the balance sheet	2,420	3,903

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

24c EMPLOYEE RETIREMENT BENEFITS (continued)

Movements in the present value of defined benefit obligations were as follows:

	2021 £000's	2020 £000's
At 1 April	15,400	15,800
Current service cost	44	124
Interest cost	348	388
Contributions by scheme participants	11	12
Administrative Expenses	-	(57)
Actuarial losses/(gains)	1,011	(231)
Benefits paid	(614)	(636)
At 31 March	16,200	15,400

Movements in the fair value of scheme assets were as follows:

	2021 £000's	2020 £000's
Opening fair value of scheme assets	11,497	12,638
Expected return on scheme assets	258	308
Actuarial losses/(gains)	2,606	(791)
Contributions by the employer	22	23
Contributions by scheme participants	11	12
Benefits paid	(614)	(636)
Administration Expenses	-	(57)
	13,780	11,497

The analysis of the fair value of the scheme's assets at the balance sheet date was as follows:

	2021 £000's	2020 £000's
Equities	10,207	7,921
Gilts and bonds	3,437	3,119
Cash	136	457
	13,780	11,497

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31st March 2021

25 FINANCIAL COMMITMENTS

Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases:

GROUP	2021		2020	
	Land and buildings	Other	Land and buildings	Other
Leases which expire:	£	£	£	£
within one year	142,933	6,150	175,038	14,035
between one and five years	216,050	4,918	326,583	11,068
after five years	203,500	-	235,900	-
	562,483	11,068	737,521	25,103

CHARITY	2021		2020	
	Land and buildings	Other	Land and buildings	Other
Leases which expire:	£	£	£	£
within one year	4,400	-	4,400	6,472
within one to five years	17,600	-	17,600	-
over five years	49,500	-	53,900	-
	71,500	-	75,900	6,472

26 RELATED PARTY TRANSACTIONS

All transactions between the charity and its subsidiary, St Ann's Hospice Trading Company Ltd, are eliminated on consolidation.

No trustee received payment for professional or other services supplied to the charity during the year (2020: Nil)

The total value of donations received from the trustees during the year was £8,383.55 (2020: £300)



05

Independent Auditor's Report



Independent auditor's report to the members of St Ann's Hospice

Report on the audit of the Financial Statements

Opinion

In our opinion the financial statements of St Ann's Hospice (the 'charitable company') and its subsidiary ('the group'):

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31st March 2021 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the group statement of financial activities;
- the group summary income and expenditure account;
- the group and parent charitable company balance sheets;
- the group cash flow statement; and
- the related notes 1 to 26.

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).

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 of the parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Responsibilities of the trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at:

www.frc.org.uk/auditorsresponsibilities.

This description forms part of our auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management about their own identification and assessment of the risks of irregularities.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Charities Act, UK Companies Act, pensions legislation; and

¹ The terms used to describe the primary statements should be the same as those used by the trustees.

- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included regulations of the Charity Commission for England and Wales (Charity Commission), Care Quality Commission, Fundraising regulator and Gambling Commission.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud or non-compliance with laws and regulations in the following areas, and our specific procedures performed to address it are described below:

- recognition of legacy income in the correct accounting period. We assessed a sample of legacy agreements and probate evidence, to determine whether this has been recognised appropriately;
- completeness of donation income. To address this risk we have tested a sample of donations from source records to their supporting evidence and recorded income, and assessed the classification of the income as either restricted or unrestricted;
- classification of funds between restricted and unrestricted. To address this risk we have tested a sample of restricted income and expenditure to their supporting evidence to assess whether they have been classified appropriately; and
- recognition of trading income in the subsidiary company in the correct accounting period. We assessed a sample of shop till receipts and lottery records, to determine whether this has been recognised in the correct accounting period.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant

transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with Charity Commission and Care Quality Commission.

Report on other legal and regulatory requirements

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, which includes the strategic report and the directors' report prepared for the purposes of company law for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Sarah Anderson

Sarah Anderson FCCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Manchester, United Kingdom

15 December 2021



06

Officers and Professional Advisors



Officers and Professional Advisors

Trustees and Officers

PRESIDENT

The Right Reverend Dr David Walker
Bishop of Manchester

VICE PRESIDENTS

Sir Warren Smith KCVO KStJ JP
HM Lord Lieutenant of Greater Manchester

Mr Neil Cliffe (died on July 18th 2020)

Mr Terry Lewis (ceased on 19th May 2021)

Mr John McGuire (ceased on 19th May 2021)

Mrs Anne Mack

Mrs Ann Hughes

TRUSTEES

CHAIR

Professor Jacqueline Oldham BSc(Hons) RGN PhD

HON. TREASURER

Mr Darren Holt BA FCA

Mr Mike Brown (Vice Chair) MSc FHSM CMIPM

Dr Stephanie Gomm MD FRCP

Mr Luke Dillon BA

Mr Alan Bond FCCA, ACIS

Mrs Fiona Taylor RGN, RM, RHV, Dip HE, BSc(Hons), MA

Ms Kate Squire BA (Hons)

Mr Steven Wilson CPFA BA (Hons) DipMHC

Ms Melanie Odgen BPham FRPhamS

SPECIAL ADVISOR

Mr Mike Walmsley MBE DL MCIOB BSc (Hons)



Key Management Personnel

CHIEF EXECUTIVE

Rachel McMillan RGN BA(Hons) MSc
(appointed 5th October 2020)

Eamonn O'Neal DL BEd MSc DArts
(changed role 5th October 2020)

DIRECTOR OF ORGANISATIONAL DEVELOPMENT & SUPPORT SERVICES

Gill Turnpenney BA(Hons) CMCIPD

DIRECTOR OF BUSINESS DEVELOPMENT

Dr Paul Jarvis MEng(Hons) MSc PhD

DIRECTOR OF CLINICAL SERVICES

Emma Dixon RGN BA(Hons)
(appointed 5th October 2020)

Rachel McMillan RGN BA(Hons) MSc
(changed role 5th October 2020)

MEDICAL DIRECTOR

Dr David Waterman MBBS FRCP

ASSOCIATE MEDICAL DIRECTOR

Dr Alison Roberts MBChB FRCP

DIRECTOR OF STRATEGIC INITIATIVES

Eamonn O'Neal DL BEd MSc DArts
(appointed 5th October 2020)



Professional Advisors and Registered Office

SOLICITORS

Brabners LLP

55 King Street, Manchester M2 4LQ
and
Exchange Flags, Liverpool L2 3YL

AUDITOR

Deloitte LLP

Chartered Accountants and Statutory Auditor
The Hanover Building, Corporation Street,
Manchester, M4 4AH

INVESTMENT MANAGERS

Brewin Dolphin

1 The Avenue
Spinningfields Square, Manchester M3 3AP

BANKERS

The Royal Bank of Scotland

5th Floor
1 Spinningfields Square, Manchester M3 3AP

REGISTERED & PRINICPAL OFFICE

St Ann's Hospice

St Ann's Road North
Heald Green,
Stockport
SK8 3SZ

ST ANN'S HOSPICE TRADING CO LTD

Subsidiary of **St Ann's Hospice**

Contact details

St Ann's Hospice

St Ann's Road North,
Heald Green, Cheadle,
Cheshire SK8 3SZ
Tel: 0161 437 8136

St Ann's Hospice

Meadowsweet Lane, off Peel Lane,
Little Hulton, Worsley,
Manchester M28 0FE
Tel: 0161 702 8181

Neil Cliffe Centre

St Ann's Road North,
Heald Green, Cheadle,
Cheshire SK8 3SZ
Tel: 0161 437 8136

 www.sah.org.uk  www.facebook.com/StAnnsHospice  [@StAnnsHospice](https://twitter.com/StAnnsHospice)  [@StAnnsHospice](https://www.instagram.com/StAnnsHospice)

Registered charity number 258085. Registered in England No. 947220.