

Company Registration Number: 1654807



NORTH LONDON HOSPICE

(a company limited by guarantee and not having a share capital)

Registered Charity Number: 285300

REPORT AND ACCOUNTS

31st March 2021

NORTH LONDON HOSPICE

REPORT AND ACCOUNTS - 31ST MARCH 2021

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NORTH LONDON HOSPICE

BOARD OF TRUSTEES AND PROFESSIONAL ADVISERS

Registered Office: 47 Woodside Avenue
London N12 8TF

Board of Trustees: Ms. E. B. Jones (Chairman)
Mr. G. S. Hill (Honorary Treasurer and Honorary Secretary)
Mrs. J. R. Brown
Mr. H. T. F. Easterling
Mr. A. J. Harris (appointed 23 February 2021)
Mrs. C. M Holmes
Mr. S. Males
Mr. S. Morris
Mrs. L. A. Nash (resigned 27 April 2021)
Mr. J. Reid
Mrs. B. J. Taylor
Dr. J. A. Tobin
Ms. J. Walters
Ms. C. Woodwark (appointed 28 April 2020)

The Executive Team: Mr. D. Carroll (Chief Executive - appointed 3 August 2020)
Ms. P. A. McClinton (Chief Executive - retired 13 August 2020)
Dr. S. Edward (Medical Director & Consultant)
Ms. F. Deane (Director of Clinical Services)
Mrs. L. Edwards (Director of People)
Mr. R. Langrishe (Director of Fundraising and Communications)
Mr. N. Sooryakumaran (Commercial and Finance Director)

Company Secretary: Mr. G. S. Hill

External Auditor: Moore Kingston Smith LLP
Chartered Accountants and Statutory Auditor
Orbital House
20 Eastern Road
Romford
Essex RM1 3PJ

Bankers: Barclays Bank p.l.c.
Barnet & Hampstead Business Banking
P O Box 12820
London N20 0WE

Investment Managers: Newton Investment Management Limited
The Bank of New York Mellon Centre
160 Queen Victoria Street
London EC4V 4LA

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The Board of Trustees of the North London Hospice ('The Hospice') presents its Annual Report for the year ended 31 March 2021 in accordance with the provisions of the Companies Act 2006 and the Charities Act 2011. The audited accounts for that year are also presented and comply with the Companies Act 2006, the Hospice's governing document and the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

REFERENCE AND ADMINISTRATIVE DETAILS

The Hospice is a registered charity (No 285300) and a company (No 1654807) limited by guarantee. Its registered office is as shown on page 1.

The present trustees, the names of the senior executive staff and the professional external advisors of the charity are also listed on page 1.

OBJECTS, OBJECTIVES AND PRINCIPAL ACTIVITIES OF THE HOSPICE

The Hospice's objects are:

- To relieve sickness and suffering and, in particular but without prejudice to the generality of the foregoing, by the establishment and maintenance of a Hospice in North London for persons suffering from chronic or terminal diseases.
- To relieve the suffering of the families and friends of patients of the North London Hospice and in particular, but without prejudice to the generality of the foregoing, by the provision of practical, bereavement and other emotional support and programmes for education and advice.

Our principal activities to achieve these objects are the provision of specialist palliative care in inpatient, health & wellbeing and community settings. Education and training of healthcare professionals and partnerships with other organisations that share our objects also form an important part of our work. Our key aims achievements and performance against targets are discussed under the headings of "Our Key Aims" and "Achievements and Performance" within the Strategic Report on pages 8 to 16.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Hospice is governed by its Memorandum and Articles of Association adopted on 29 July 1982 and revised by Special Resolution at the Board Meeting held on 26 September 2017.

The Board of Trustees is responsible for the overall governance of the Hospice. Trustees are appointed by a resolution in a general meeting or by the other trustees and the total number of trustees must not exceed 15. The trustees are also the members of the charity and directors of the company. One third of the trustees must submit themselves for re-election by rotation at every Annual Retirement Meeting, trustees to retire by rotation shall be those who have been longest in office since their last appointment.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

Effective partnership between trustees and the Executive Team continues to contribute significantly to our success. To ensure the trustee roles and responsibilities are carried out effectively, trustees are appointed on the basis of an area of professional or personal expertise or experience that complements that of existing trustees. The Hospice has in place insurance policy cover to indemnify any trustee, director or officer against legal liability for damages, costs and expenses permitted by law to be granted to the trustee, director or officer as a result of a wrongful act. Consideration is also given to how a trustee being considered for co-option will contribute to ensuring the diversity of the composition of the Board.

The Board of Trustees meets 8 times a year and individual trustees are required to attend on at least 4 occasions. These meetings set policy, approve and review a medium-term strategic plan and agree operating plans and budgets, as well as monitoring operational and financial performance. In addition, the trustees hold an annual Away Day with the Executive Team where the broad direction and priorities for action for the following year are set. New trustees receive an induction pack containing information about the Hospice and their responsibility as trustees. They also participate in a tailor-made induction programme, designed to ensure an adequate understanding of the work of the Hospice.

Governance Arrangements

Skills Analysis of the Trustees carried out in the autumn of 2019 was used to inform the role description for the recruitment of new Trustees early in 2020.

Over the last 12 months, the successful recruitment of 2 additional Trustees has enriched and strengthened the Trustee contribution to Committees and Expert Groups and extended the range of skills and expertise available to the Board. Trustees have been able to expand service visits and plans are in place to introduce Leadership Walkabouts.

The Board has also given consideration to the principles and recommended practice for good governance prescribed in the Charity Governance Code in writing this report.

The Board's role and capacity to monitor the progress and implementation of the overall direction of the Hospice is set out in the Strategic Plan. In order to assist the Board in fulfilling this role, three formal sub-committees with the following areas of responsibility and each sub-committee is chaired by a trustee and has at least two additional trustee members, the Chief Executive and appropriate directors.

The Quality, Safety and Risk sub-committee (formerly the Clinical Governance Committee)

The purpose of this sub-committee is to ensure that adequate systems are in place to maximise the quality of service and minimise organisational risk in relation to patients, carers, support services and non-clinical functions, the wider community and partner organisations. Its key functions are to:

- monitor the quality of clinical services by ensuring compliance with external compliance and regulations;
- monitor all risk management procedures approved by the Board, including the maintenance of risk registers, adverse incidents and infection control;
- review all complaints; and
- consider all aspects of user feedback.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

The Finance sub-committee

The purpose of this sub-committee is to assist the Board in fulfilling its duty to ensure the continuing financial viability of the Hospice. Its key functions are to:

- review the annual budget prior to approval by the Board;
- review the annual report and accounts prior to approval by the Board; and
- oversee the investment portfolio of the Hospice.

The Board Development and Remuneration sub-committee

The purpose of this sub-committee is to assist and advise the Board in its duty to ensure that adequate and appropriate governance arrangements are in place. Its key functions are to:

- develop and review procedures for recruitment and appraisal of trustees;
- review composition of the Board to identify any skills gaps and recommend appropriate action;
- review the collective development of the Board, trustee induction and training and improve the overall governance of the Hospice; and
- make annual recommendations to the Board on the remuneration of the CEO and Executive team.

In addition, two expert groups covering fundraising and retail operations have been set up which report to the Executive team. These are chaired by the appropriate Director and have at least one trustee member with relevant experience.

The Hospice uses the services of a team from Compton Fundraising Consultants Limited to carry out its fundraising activities. The team led by the Director of Fundraising and Communications, engaged exclusively in the work of the Hospice, reports to the Chief Executive. As part of the Executive Team the Director of Fundraising and Communications provides regular updates and is in attendance at the meeting of Board of Trustees of the Hospice who have ultimate responsibility for setting the framework for compliance with best fundraising practice.

Chief Executive and Senior Managers

The Chief Executive is responsible for the day to day management of the charity's affairs and for implementing policies agreed by the Board of Trustees. The Chief Executive is assisted by a group of senior managers.

The pay of the Chief Executive and senior managers employed by the Hospice is reviewed annually and normally increased in accordance with pay increments awarded to all staff, benchmarked where appropriate with NHS Agenda for Change pay scales for clinical staff and NJC Local Government pay scales for social workers and a pay scale for administrative non-clinical staff. The Medical Director is employed by the Royal Free London NHS Foundation Trust and the Director of Fundraising and Communications is employed by Compton Fundraising Consultants Limited, their pay awards determined by their respective employers.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

Group Structure

The Hospice has a wholly-owned subsidiary - North London Hospice (Trading) Limited (company no. 2268094). The subsidiary company did not trade in the year ended 31 March 2021.

Statement of Trustees' Responsibilities and Corporate Governance

The trustees are responsible for their annual report, and for the preparation of accounts for each financial year which give a true and fair view of the incoming resources and application of those resources during the year, and of the state of affairs as at the end of the financial year. In preparing these accounts, the trustees are required to:

- Ensure that suitable accounting policies are established and applied consistently;
- make judgements and estimates which are reasonable and prudent;
- state whether applicable accounting standards and statement of recommended accounting practice have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on a going concern basis unless it is inappropriate to presume that the Hospice will continue in operation.

The trustees confirm that they have complied with the above requirements in preparing the accounts.

The trustees have overall responsibility for ensuring that the Hospice has appropriate systems and controls, financial and otherwise. They are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Hospice and enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Hospice and for their proper application as required by charity law, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide reasonable assurance that:

- the Hospice is operating efficiently and effectively;
- all assets are safeguarded against unauthorised use or disposition and are properly applied;
- proper records are maintained and financial information used within the Hospice, or for publication, is reliable;
- the Hospice complies with relevant laws and regulations.

The systems of internal control are designed to provide reasonable but not absolute assurance against material misstatement or loss. They include:

- a strategic plan and annual budget approved by the Board of Trustees;
- regular consideration by the Board of Trustees of financial results, variances from budgets, non-financial performance indicators and benchmarking reviews;
- delegation of day-to-day management authority and segregation of duties;
- identification and management of risks.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

Risk Management

The ultimate responsibility for risk management lies with the Board of Trustees.

The trustees have an ongoing formal risk management process to assess business risks, and implement risk management strategies. This has involved identifying the types of risks the Hospice faces and prioritising them in terms of potential impact and likelihood of occurrence.

The major risks to which the North London Hospice is exposed, as identified by the trustees, have been reviewed and systems have been established to manage those risks.

Reserves Policy

The trustees reviewed the policy on reserves in March 2020 and kept the existing policy unchanged. The trustees recognised that the additional financial support provided by the government to counter the impact of the COVID-19 pandemic, together with higher than expected legacy income and investment gains has resulted in reserves ending the year at much higher level than planned. This gives trustees the assurance with deficits forecast in the 2021-25 planning cycle, general unrestricted reserves are likely to be above the 12 months operating expenditure level while investing in our infrastructure, and expanding our reach and the services the hospice offers to its patients and their families, thereby increasing the hospice's baseline costs.

Accordingly the existing policy is at a level that the trustees consider will be adequate. The policy is to maintain at all times unrestricted reserves at a minimum of 9 months of unrestricted operating expenditure, taking account of future forecasts.

On current level of expenditure, maintaining unrestricted general fund between £8.8 million and £11.8 million will ensure long-term financial stability and enable the hospice to withstand external events which may affect the level of income received. Planned investment from reserves as part of the 2021-25 plan to expand our services and improve the infrastructure could result in the reduction of the current level of unrestricted general fund of £18.2 million and increase the baseline cost.

Investment Policy

The Memorandum and Articles of Association do not place any restrictions on the investment policy to be adopted. Subject to the Trustee Act 2000, the trustees have invested surplus funds, whilst ensuring easy access to meet the operating costs of the Hospice.

Specific investment powers are delegated to Newton Investment Management Limited under the following restrictions:

- No investment in tobacco stocks, unquoted shares, derivatives or unregulated collective investment schemes;
- Investments are consolidated in Newton Fund for Charities, effectively holding units in a highly diversified but readily accessible portfolio.

**TRUSTEES' ANNUAL REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

PUBLIC BENEFIT STATEMENT

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit, "Charities and Public Benefit".

The North London Hospice's objects comply directly with two of the Charities Act's descriptions of "charitable purpose":

- "the advancement of health" and
- "the relief of those in need, by reason of youth, age, ill-health, disability, financial hardship or other disadvantage".

The Hospice's charitable purpose is enshrined in the wording of the Hospice's objects as stated on page 2.

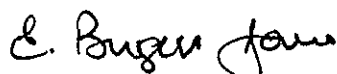
The trustees ensure that this purpose is carried out for the public benefit by delivering services that is valued by our patients, their families and friends and the community in general.

Hospice services are available to those most in need of the services in the London Boroughs of Barnet, Enfield and Haringey. The Hospice provides specialist palliative care in an inpatient, outpatient and therapies and community setting.

Disclosure of Information to the Auditor

So far as the trustees are aware, there is no relevant information of which the company's auditor is unaware. The trustees have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Approved by the Board of Trustees on 14 September 2021 and signed on its behalf by:



ELISABETH B. JONES
Chairman



GEOFFREY S. HILL
Company Secretary and
Honorary Treasurer

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Board of Trustees of the North London Hospice ('The Hospice') presents its Strategic Report for the year ended 31 March 2021.

OUR VISION

Our Vision is that everyone in our diverse community affected by a potentially life limiting illness has equal access to the services and support they need to optimise their quality of life.

We care about people with a potentially life limiting illness and aim to add quality and meaning to their life journey.

We do this by:

- Delivering End of Life specialist palliative care;
- Providing additional support and services to meet individual needs;
- Sharing our skills and experience to influence others providing care;
- Maximising and supporting community involvement.

We provide this care and support to people in their own homes, care homes or in the hospice itself.

OUR KEY AIMS

As part of the Three-Year Plan, 2018-21, the overall aim for 2020/21 was working together to make a difference to palliative and end of life care in our diverse communities by:

- Increasing collaborative partnerships internally and externally;
- Changing our internal approach to service delivery within available resources;
- Extending our reach and sphere of influence to meet increasing demand; and
- Embed NLH values and behaviours.

To achieve this we identified four strategic objectives:

- Each service to re-evaluate service delivery to be responsive to change - based on internal and external feedback;
- Seek out new collaborative opportunities internally and externally;
- Ensure quality of user experience remains central to all service delivery;
- Develop effective/smooth transitions and understanding between services.

Progress towards all of these was impacted by COVID-19, needing to continually adapt how our services were delivered during the year to attain the best outcome.

ACHIEVEMENTS AND PERFORMANCE

Each service to re-evaluate service delivery to be responsive to change - based on internal and external feedback

The need for our services is growing and this has been reflected in the Sustainability and Transformation Partnership (STP) funding for the Community Expansion. The ageing population is increasing significantly and the NHS overarching aim is to reduce hospital admissions.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

The STP funding over 2 years was to reach a target of supporting 75% of expected deaths in each Borough. For year 2 of this plan the target for each Borough was 1,414 for Barnet, 642 for Haringey and 1,142 for Enfield. Despite COVID-19 impacting the level of referrals from primary care providers, we received 1,101 for Barnet, 534 for Haringey and 730 for Enfield during the year,

As visiting and assessing people at home became more complex due to the risk of COVID-19, we adapted the way we work to include virtual assessments as well as face-to-face, giving people referred to us a choice. At this time more people wanted to remain at home to avoid being admitted to hospital or hospice due to the visiting restrictions. This strengthened partnership working with our community colleagues including general practitioners and district nurses to support more people to die at home. The community Clinical Nurse Specialists provided additional support out-of-hours by being on call from 17.00 -20.00 for patients and professionals, supplementing the Out of Hours service to ensure a 24-hour service including urgent overnight visits to patients' homes.

We streamlined the referrals process by accepting referrals out-of-hours 24/7. During the year our clinical database (EMIS) (Egton Medical Information Systems) where we hold our patient records was developed further. This has been a significant two-year project for the Hospice involving all clinicians and support staff which has demonstrated improved efficiencies across services.

In the second year of our two-year carers strategy and community engagement we have supported training for non-medical prescribers.

Despite the COVID-19 pandemic preventing patients from visiting our Health and Wellbeing Centre we developed and provided virtual support for patients in health and wellbeing services.

The Health and Wellbeing Service continued its co-productive approach to supporting patients and carers. A large proportion of the work by the Health and Wellbeing team during the year has been conducted via video conferencing. The team have set up and run sessions/activities covering rehab and self-management, wellbeing activities as well as providing psychological/emotional support and symptom management.

It has been a challenging year but the social work team has remained committed to the development of a formal service for carers. Our previous consultation with carers continued to influence service development and delivery and topics identified have been the themes of our online sessions. A total of 22 sessions have taken place on zoom with excellent attendance.

The Compassionate Neighbours (CN) service continued to provide support to the community with a move to more telephone or virtual support

Development of IT systems is driven by user needs and in particular convergence with NHS IT strategy. IT resource was prioritised to meet the need for a large number of staff to be able to work remotely from home as well as from the office as and when required. This IT solution was put in place quite quickly without compromising data security. Access to videoconferencing and office telephone network also allowed staff to work more effectively.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

Being able to share clinical records with other providers of care through increased use of Coordinate My Care, use of digital clinical system supporting joined-up working across all care settings (EMIS), and ensuring uninterrupted access to Health and Social Care Network (HSCN) was also a priority during the year

In the last quarter of the year we embarked on the project to migrate to Office 365 to improve further remote working and communication through use of Microsoft Teams and intranet. This project scheduled to complete in 2021/22 requires the IT network and telephone infrastructure to be upgraded.

The Fundraising Department has had another challenging year in 2020/21 as all events involving face to face contact had to be cancelled due to the COVID-19 restrictions imposed by the UK government. However, some of these events as well as other new ones were held virtually. Together with an Emergency Appeal and continued support from our long-term donors, donations for the year was higher at £1.76 million. Our legacy income has again performed well with over £4.13 million being given or pledged.

We have developed a partnership with Local Hospice Lottery and are continually assessing new income initiatives to further develop the income of the department in order to meet the increasing hospice operational costs.

During the year all our charity shops were required to remain shut for 206 days during the period of national lockdowns to counter the spread of the coronavirus. Government help through the furlough scheme and retail grants have gone a long way to mitigate the losses for the year from trading activities but still ended the year short of annual contributions it makes towards hospice care.

We opened our 18th shop, a large premises with warehouse space, in the year, enabling storage of a large quantity of donated goods which helped to boost overall sales for the year. COVID-19 also impacted available volunteers as number of them were vulnerable and required to shield to stay safe.

All recommended COVID-19 measures, risk assessments and operational procedures were reviewed regularly and put in practice to ensure safety of staff, volunteers and customers.

Seek out new collaborative opportunities internally and externally

It was recognised that the COVID-19 pandemic would result in greater numbers of people dying in the community and we led and supported a number of critical initiatives during the crisis. We worked closely with other care providers and our medical consultants joined the National Palliative and End of Life Care Network (PEoLC), representing the London Clinical Leadership Group.

We played a critical role in developing clinical guidelines for managing end-of-life in the community in relation to medication and care which were cascaded across London. We continue to actively work with the London Respiratory Network and the London Oxygen Group representing end-of-life care.

With increasing cases of COVID-19 in care homes and many care homes not allowing visits even from clinical teams, we provided virtual assessments by telephone or video and offered virtual ward rounds to support whole units during outbreaks within the care homes to respond to urgent needs. Throughout the first wave we attended monthly North Central London (NCL) care home strategy meetings to share best practice, develop a learning resource pack and to ensure a joined-up co-ordinated approach at an NCL level.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

Our staff also volunteered and contributed to staffing community verification of death teams, vaccination centres and intensive care units. Medical consultants participated in a voluntary regional on-call specialist telephone advice service covering the acute hospitals out-of-hours during the first wave of the pandemic on a voluntary basis and provided membership to ethics and clinical decision-making groups.

We continue to meet regularly with Marie Curie Hospice to share experiences and consider opportunities to work together.

NLH will continue to be a part of the PallE8 network across North Central and North East London.

Funding from Health Education England enabled palliative and end-of-life care training to be delivered to London Ambulance Service paramedics and technicians. 36 staff were trained in total and 10 successfully completed the Level 5 accredited course.

The summer and autumn schools continued, although at reduced numbers to allow for social distancing, and were delivered to local and international students and a virtual training workshop highlighting the work of the Hospice was also delivered to over 250 students.

NHS digital has a stated aim to develop joined-up digital systems. Health Information Exchange (HIE) work has been progressed and the first phase completed by Cerner/EMIS enabling the Hospice to be able to access patient records uploaded onto HIE from acute and community health providers including general practice. This is already proving to be very beneficial to the Hospice. We hope to work with HIE during 2021/22 to enable the Hospice patient records to be shared on HIE.

Ensure quality of user experience remains central to all service delivery

Recruitment to the clinical workforce continues to be a challenge. During the year some vulnerable staff had to shield and others needed to self-isolate for a period of time either having tested positive or coming into contact with people who had contracted the coronavirus also resulted in staffing levels being much lower.

Six members of staff embarked on a two-year Nursing Apprenticeship scheme within the Hospice.

The development of non-medical prescribing within services enabled suitably trained healthcare professionals to enhance their roles and effectively use their skills and competencies to improve patient care in a range of settings, including management of long-term conditions and palliative care. Clinical Nurse Specialists (CNS) have the appropriate pre-requisites to be trained in this skill and this will empower them to improve patient care by prescribing, where appropriate, for community patients.

It is our desire to achieve an 80% occupancy rate for the In-Patient Unit (IPU) consistently throughout the year (5,256 bed days), dependent on vacancies and sickness absence. Although patient admissions have been at a similar level to last year, COVID-19 has resulted in much shorter length of stay due to patient referrals to the service being made at a much more advanced stage of their illness. Occupancy rates in the IPU for the year was 59.5%.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

Continued quality improvement through audit and monitoring of our services to ensure compliance with Care Quality Commission (CQC) standards, End of Life Standards and Peer Review were progressed by wider departmental participation in audits, completion of action plans and evidence for Peer Review.

Personalised care planning, internal and external training, co-ordinated data collection, periodic reporting and real-time user feedback was continued during the year. Results of the patients' survey indicate that we continue to maintain our high standards, treating our patients and their relatives with compassion, understanding, courtesy, respect and dignity.

Robust management of risk, complaints and incidents was continued through completion of appropriate documentation and incorporated within all managers' objectives.

Develop effective/smooth transitions and understanding between services

We want to ensure that people (staff and volunteers) are the heart of the organisation. The People Strategy is designed to enable us to recruit, develop, support and engage our people for North London Hospice now and into the future. We want the Hospice to develop in line with our mission and ensure that we are working together as one team empowering our staff and volunteers to innovate and grow to provide the best possible service to our patients and their families.

Staff were involved in the development of the set of values that are now incorporated into the Personal Development Review (PDR) process and are part of recruitment and selection. Our values are:

Walk the talk;

- Trusting Relationships
- Adaptable
- Learning and development
- (K) Communication

The aim is to create one organisation by supporting the development of a learning culture and communicating the Mission Vision and Values of the Hospice.

Internally, focus has been on ensuring Hospice staff are provided with quality mandatory training and additional training based on identified need. The training databases are currently being reviewed to ensure they are accurately recording the required data.

Students were welcomed into the Hospice from a variety of professions and a preceptorship programme was designed to support newly qualified staff on IPU.

Continued training through the Management Development Programme "Leading from the middle" combined with open staff and volunteer forums and staff presentations has enabled communication about how the organisation is performing and embed volunteers in to services.

We have continued the opportunities for reflecting on the emotional impact of the work of the Hospice through directly employing Clinical Supervisors, available regularly to provide a flexible range of individual and small group sessions, as well as the Schwartz Round. This is a well-tested mechanism to bring all parts of the organisation together (Clinical and Non-Clinical) on a monthly basis to witness the experience of delivering challenging services.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

FINANCIAL REVIEW OF THE YEAR

Total incoming resources were £17.07 million in the year ended 31 March 2021, compared with £13.07 million in the year ended 31 March 2020. Total donations and fundraising were 7.5% higher at £1.76 million. Within this total, unrestricted donations of £1.62 million increased by 6.9%. Restricted donations were £138K in 2021, £18K higher than the previous year.

Legacy income of £4.14 million in 2021 was £890K (27.4%) higher than the previous year. Legacy receipts fluctuate from year to year and are unpredictable.

Investment income was lower by 23.2% at £230K and overall, including gains in the value of the Hospice's portfolio of investments of £2.31 million, represents a return of 22.3%.

Other trading activities reflect the charity shops operations, made up of charity shops sales of £1.19 million (2020: £2.08 million), donations of agency sales and Gift Aid of £172K (2020: £589K) and rental income of £12K (2020: £12K). Charity shops also received £444K (2020: £Nil) funding for staff on furlough and £185K (2020: £370K) COVID-19 Retail, Hospitality and Leisure grants. However, as at 31 March 2021, there were £89K less agency sales (2020: £28K more) pending conversion to donations. Adjusting for these, income generated from the charity shops operations decreased by £1.17 million to £1.91 million as a result of the shops required to remain shut during periods of national lockdown.

In addition to the restricted grant from Betty Messenger Charitable Foundation of £314K (2020: £302K) and NHSE COVID-19 Emergency Funding totalling £3.52 million, NHS funding increased by £263K. Restricted NHS funding of £374K was received towards the direct cost of providing Palliative Care Support Service and a further £681K towards the cost of operating the Haringey Community Team. The core NHS funding increased by 4.8% to £3.71 million for the year ended 31 March 2021.

Total expenditure was £12.89 million, compared with £12.66 million in the previous year. The net increase in expenditure reflects the general cost of inflation and staff pay settlement.

Net income including investment gains amounted to £6.49 million compared with net expenditure of £(211K) in the previous year. The net income of £5.94 million (2020: £43K) on unrestricted funds (i.e. ongoing operations) was mainly due to the one off COVID-19 NHSE Emergency Funding and Furlough Scheme receipts of £4.07 million and £1.76 million gains on investments. A budgeted deficit for the year ending 31 March 2022 and forecast deficits for the following two years again reinforces the need for caution about the Hospice's financial position in the medium term.

The outbreak of COVID-19 severely affected the World stock markets in the last quarter of the prior year and much of the £2.31 million gains on investments in the current year resulted from recovering the prior year's losses.

The last active member of the pension scheme administered by the London Pensions Fund Authority left the scheme in September 2019 and the pension scheme was closed during the prior year. Accordingly, no further provision is required (2020: £462K).

During the year the Hospice utilised the help of over 620 volunteers across all services. The value of this work is difficult to quantify but is crucial to continuing the work of the Hospice at its current level.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

OPERATIONAL OBJECTIVES – 2020/21

All activity in clinical services has been impacted by the measures that were required to be put in place to counter the spread of COVID-19. This has meant that the way services were delivered do not reflect the performance indicators used in the past. As such no specific targets were set for 2020/21, and the actual results listed below provide a measure of the activity during the year with comparison to 2019/20 objectives.

All Services

Objective: Aim to care for 3,600 patients during the year.

During the year First Contact received 3,158 referrals and triaged 2,428 patients to one or more of our services. The number is less than last year and lower than the ambitious target as part of the Sustainability and Transformation Partnership.

Inpatient Unit

Objective: Aim to care for 360 patient admissions and maintain 80% occupancy.

We cared for 334 patients with 341 admissions during the year. The number of admissions is higher than last year but below the target of 360 with occupancy at 59.5%, a decrease from 74.7% of available capacity last year.

Community Teams

Objectives: Aim to care for 2,485 new patients.
Aim to achieve a 65% home death rate.

During the year 2,365 referrals were made to the Community Teams and, in line with COVID-19 guidance, provided a significant amount of care remotely by telephone and videoconferencing support for patients rather than face to face patient contacts. The community overnight service also received 7,059 calls and carried out 428 visits to patients, an increase from 122 visits last year. Of the Community Team patients, 72% were able to die in their own homes, an increase from 56% last year. Hospital deaths have decreased from 22% last year to 11%.

Health & Wellbeing Services

Objective: Aim to care for 200 new patients and achieve 1,840 group attendances.

Despite the closure of the Health & Wellbeing Centre to most patients at the start of lockdown, referrals received were only 13% lower than last year, with around 32% of consultations carried out by videoconferencing.

Palliative Care Support Service

Objective: Aim to care for 400 patients and provide 22,840 hours of care.

Palliative Care Support Service (PCSS) provided care to 374 patients an increase from 365 last year totalling 10,098 hours of direct care to patients in their own homes, falling short of our ambitious target.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

POSITION OF THE CHARITY AT THE END OF THE YEAR

The unrestricted general fund at the year-end represented some 19.2 months of underlying unrestricted expenditure and above the reserves policy of holding at least 9 months of unrestricted expenditure.

OPERATIONAL OBJECTIVES - 2021/22

The COVID-19 pandemic continues to restrict the delivery of clinical services. This has meant that the way services are delivered do not reflect the performance indicators used in the past. As such no specific targets have been set for 2021/22, and the objectives listed below provide a measure based on targets set in 2019/20.

The following, specific operational objectives were agreed for 2021/22:

All Services

Objective: We expect to care for about 3,600 patients during the year.

Inpatient Unit

Objective: Aim for 360 patient admissions and 80% occupancy.

Community Teams

Objectives: Aim to care for 2,485 new patients.
Aim to achieve a 65% home death rate.

Health & Wellbeing Services

Objective: Aim to care for 200 new patients and achieve 1,840 group attendances.

Palliative Care Support Service

Objective: Aim to care for 400 patients and provide 22,840 hours of care.

PRINCIPAL RISKS AND UNCERTAINTIES

There is still ongoing uncertainty about levels of future NHS funding for hospices, with greater reliance on grant income to meet the need within the NHS for the provision of end of life care.

The Hospice continues to take steps to improve voluntary donations and fundraising income. The current economic climate with continued uncertainty resulting from COVID-19 and increased competition for the same resources has meant that the external trend of donations is downwards and raising voluntary income will be hard for many years to come. The shortage of able-bodied volunteers, increased competition from other charity shops and reduced footfall on the High Street as more purchases are being made online continue to impact the charity shops performance.

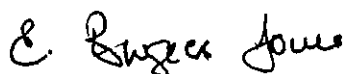
Internal and external drivers such as the coronavirus pandemic which affect Hospice staffing levels increase the risk from staff sickness and increased staff turnover resulting in higher costs and a failure to achieve a level of care expected by service users and Commissioners.

Although there is continued uncertainty of the ultimate impact of COVID-19 pandemic on the charity and its activities, the action that has been taken, together with the contingency plans that may be necessary to make going forward, combined with the level of reserves held, mean that the trustees expect the charity to be able to continue its activities.

**STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2021 (Continued)**

However, the general uncertainty in the funding streams with increased reliance on legacy income, which is unpredictable, the planned investment from reserves to improve the infrastructure and the upward trend in our baseline cost may result in unrestricted general fund falling in the coming years. While reductions in services would be avoided if at all possible, increases in income levels remain crucial to the ongoing operation and development of the Hospice.

Approved by the Board of Trustees on 14 September 2021 and signed on its behalf by:



ELISABETH B. JONES
Chairman



GEOFFREY S. HILL
Company Secretary and
Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH LONDON HOSPICE

Opinion

We have audited the accounts of North London Hospice (the 'charitable company') for the year ended 31st March 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31st March 2021, and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the 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 trustees' annual report, other than the accounts and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the accounts 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 accounts 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 accounts themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Continued.....

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH LONDON HOSPICE
(Continued)

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 5, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, the trustees are responsible for assessing the 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the accounts

Our objectives are to obtain reasonable assurance about whether the accounts 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these accounts.

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:

- enquiry of management and those charged with governance.
- reviewing accounts disclosures and testing to supporting documentation to assess compliance.
- performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

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

Continued.....

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF NORTH LONDON HOSPICE
(Continued)

Auditor's responsibilities for the audit of the accounts (continued)

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the accounts, including the disclosures, and whether the accounts represent the underlying transactions and events in a manner that achieves fair presentation (ie. gives a true and fair view).

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 which we are required to state to them in an auditor's report addressed to them and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

14 October 2021

Karen Wardell (Senior Statutory Auditor)
for and on behalf of
Moore Kingston Smith LLP, Statutory Auditor
Statutory Auditor

Orbital House
20 Eastern Road
Romford
Essex RM1 3PJ

Moore Kingston Smith LLP is eligible to act as auditor in terms of Section 1212 of the Companies Act 2006.

NORTH LONDON HOSPICE

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING THE INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED:		31ST MARCH 2021			2020
		Unrestricted funds	Restricted funds	Endowment funds	Total funds
Income:					
Donations and fundraising		1,620,292	138,202	-	1,758,494
Legacies		4,138,281	-	-	4,138,281
Charitable activities					
Grants	4	3,890,583	4,889,920	-	8,780,503
Other trading activities					
Charity shops sales		1,186,030	-	-	1,186,030
Donated agency sales		172,487	-	-	172,487
Rental income		11,581	-	-	11,581
Investment income	5	168,139	-	61,793	229,932
Other	6	246,070	549,151	-	795,221
Total income		11,433,463	5,577,273	61,793	17,072,529
Expenditure:					
Raising funds					
Fundraising and promotion	7	701,978	18,568	-	720,546
Charity shops expenditure	8	1,600,915	444,264	-	2,045,179
Investment manager's fees		51,200	-	-	51,200
Charitable activities					
Cost of operation of hospice	9	4,940,076	5,052,159	61,793	10,054,028
Other					
Interest on loan from The Governors of the Peabody Donation Fund		21,100	-	-	21,100
Total expenditure		7,315,269	5,514,991	61,793	12,892,053
Net gains/(losses) on investments	13	1,756,360		549,415	2,305,775
Net income/(expenditure) before transfers		5,874,554	62,282	549,415	6,486,251
Transfers between funds	19	63,807	(63,807)	-	-
Net income/(expenditure) after transfers		5,938,361	(1,525)	549,415	6,486,251
Other recognised losses					
Actuarial losses on defined benefit pension scheme	17	-	-	-	-
Net movement in funds		5,938,361	(1,525)	549,415	6,486,251
Reconciliation of funds:					
Total funds brought forward, 1st April 2020		18,679,166	103,885	2,371,218	21,154,269
Total funds carried forward, 31st March 2021		£ 24,617,527	102,360	2,920,633	27,640,520

All incoming resources and resources expended derive from continuing activities.

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

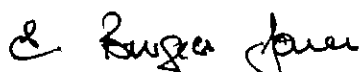
The detailed comparative information for the statement of financial activities is included at note 24.

The attached notes form part of these accounts.


NORTH LONDON HOSPICE

<u>BALANCE SHEET</u>		<u>31ST MARCH</u>	
	<u>Note</u>	<u>2021</u>	<u>2020</u>
Fixed assets:			
Tangible assets	12	7,830,708	7,982,988
Investments	13	13,911,240	11,375,939
Total fixed assets		21,741,948	19,358,927
Current assets:			
Debtors	14	5,951,344	3,211,858
Cash on deposit		2,456,170	1,854,189
Cash on current account and in hand		243,833	204,351
Total current assets		8,651,347	5,270,398
Liabilities:			
Creditors: amounts falling due within one year	15	(1,295,955)	(1,828,836)
Net current assets		7,355,392	3,441,562
Total assets less current liabilities		29,097,340	22,800,489
Creditors: amounts falling due after more than one year	16	(1,456,820)	(1,646,220)
Net assets excluding pension liability		27,640,520	21,154,269
Defined benefit pension scheme liability	17	-	-
Total net assets		27,640,520	21,154,269
The funds of the charity:			
Endowment funds	18	2,920,633	2,371,218
Restricted income funds	19	102,360	103,885
Unrestricted funds			
Designated fund	20	6,373,888	6,547,268
General fund		18,243,639	12,131,898
Total charity funds		27,640,520	21,154,269

Approved for issue by the Board of Trustees on 14th September 2021 and signed on its behalf by:-



ELISABETH B. JONES (Chairman)



GEOFFREY S. HILL (Honorary Treasurer)

The attached notes form part of these accounts.

NORTH LONDON HOSPICE
STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED:

31ST MARCH

	<u>2021</u>	<u>2020</u>
Net cash provided by/(used in) operating activities	866,823	(523,822)
Cash flows from investing activities		
Investment income		
Income from UK listed investments	229,526	291,628
Interest receivable	406	7,934
Purchases of tangible fixed assets	(225,766)	(440,436)
Purchases of fixed asset investments	(229,526)	(291,628)
Cash used in investing activities	(225,360)	(432,502)
Increase/(decrease) in cash and cash equivalents in the year	641,463	(956,324)
Cash and cash equivalents at the beginning of the year	2,058,540	3,014,864
Cash and cash equivalents at the end of the year	2,700,003	2,058,540

Reconciliation of net movement in funds to net cash flow from operating activities

Net movement in funds	6,486,251	(673,020)
Investment income		
Income from UK listed investments	(229,526)	(291,628)
Interest receivable	(406)	(7,934)
Depreciation	377,846	362,459
Loss on disposals of tangible fixed assets	200	-
Interest payable	21,100	36,799
Net (gains)/losses on investments	(2,305,775)	614,723
Actuarial losses on defined benefit pension scheme	-	462,000
Increase in debtors	(2,739,486)	(1,312,870)
(Decrease)/increase in creditors	(743,381)	1,127,649
Defined benefit pension scheme liability crystallized	-	(842,000)
Net cash provided by/(used in) operating activities	866,823	(523,822)

Analysis of cash and cash equivalents

Bank deposit accounts (less than three months)	2,456,170	1,854,189
Bank current accounts	241,850	202,390
Cash in hand	1,983	1,961
Total	2,700,003	2,058,540

Analysis of changes in net funds

	<u>At start of year</u>	<u>Movement</u>	<u>At end of year</u>
Cash at bank and in hand	204,351	39,482	243,833
Deposits	1,854,189	601,981	2,456,170
£	2,058,540	641,463	2,700,003

NORTH LONDON HOSPICE

ACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2021

Company information

North London Hospice is a company limited by guarantee incorporated in England and Wales. The registered office is 47 Woodside Avenue, London, N12 8TF.

a) Basis of preparation of accounts and assessment of going concern

The accounts have been prepared under the historical cost convention with the exception of investments which are included at their market value. The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued in October 2019, the Companies Act 2006 and Charities Act 2011.

The accounts are prepared in sterling, which is the functional currency of the company.

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

The trustees have prepared the accounts on the going concern basis which assumes the charitable company will continue in operational existence for the foreseeable future as the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. The additional support provided by the Government, combined with the level of reserves held, mean that the trustees expect the charity to be able to continue its activities for a period of at least 12 months from the approval of these accounts. Accordingly, the trustees continue to adopt the going concern basis in the preparation of the accounts.

North London Hospice meets the definition of a public benefit entity under FRS 102.

b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the accounts.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the accounts.

Endowment funds are capital funds that must be retained for the benefit of the charity. The use of income arising from these capital sums may be subject to restrictions.

Investment income, gains and losses are allocated to the appropriate fund.

c) Income

All income is recognised once the charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor to the Trust that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Donations are accounted for when received by the charity. Tax reclaimed in respect of Gift Aid is accounted for on an accruals basis. Tangible assets donated are included in the accounts at their market value. Goods donated to fundraising shops are included in the accounts when sold. The charity also receives the benefit of work carried out by volunteers, the value of which cannot be quantified.

NORTH LONDON HOSPICEACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2021 (Continued)c) Income (continued)

Grant and service level agreement income is recognised in the period to which the income relates. Government grant income from the Coronavirus Job Retention Scheme (furlough income) is recognised in the Statement of Financial Activities in the period to which the underlying furloughed staff costs relate. Government grant income received from the Retail, Hospitality and Leisure Grant Fund is recognised in the Statement of Financial Activities in the period in which the charity meets the criteria for entitlement.

Income from investments has been taken into the accounts when receivable. Interest receivable has been accounted for on an accruals basis.

d) Expenditure and irrecoverable value added tax

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

All expenditure is accounted for on an accruals basis. Staff and other costs are allocated directly to the activity for which they are incurred. Costs of raising funds comprises the costs associated with attracting voluntary income and the costs of operating the charity's shops.

Charitable activities expenditure comprises those costs incurred in the delivery of hospice services. It includes both costs that can be directly allocated and those of an indirect nature necessary to support them including governance costs.

Not all value added tax is recoverable. Irrecoverable VAT is charged against the expenditure heading for which it was incurred.

e) Capitalisation and depreciation

The trustees have adopted the policy that small items of expenditure, being those less than £1,000, of a capital nature are not capitalised but are included in resources expended.

Freehold land is not depreciated. Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold buildings	-	2% straight-line
Furniture, fixtures, fittings and medical equipment	-	20% straight-line
Motor vehicles	-	25% straight-line
Refurbishment	-	10% straight-line

f) Investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. The statement of financial activities includes the net gains and losses arising on revaluation and disposals throughout the year.

The charity does not acquire put options, derivatives or other complex financial instruments.

The main form of financial risk faced by the charity is that of volatility in equity markets and investment markets due to wider economic conditions, the attitude of investors to investment risk, and changes in sentiment concerning equities and within particular sectors or sub sectors.

g) Stocks

Stocks of donated goods to fundraising shops are not reflected in the accounts because the trustees consider it is impracticable to be able to assess the amount of donated goods until sale as there are no systems in place which record these items until they are sold and undertaking a stock take would incur undue cost for the charity which far outweighs the benefits.

h) Debtors

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

i) Cash at bank and in hand

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

NORTH LONDON HOSPICEACCOUNTING POLICIES FOR THE YEAR ENDED 31ST MARCH 2021 (Continued)j) Creditors and provisions

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

k) Financial instruments

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

l) Pensions

The charity contributes to defined benefit and defined contribution schemes on behalf of its employees.

The assets of the defined benefit schemes are held separately from those of the Hospice by the National Health Service Superannuation Scheme and the Local Government Pension Scheme.

The assets of the National Health Service Superannuation Scheme cannot be identified on a consistent and reasonable basis. 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 charity. The contributions are determined by qualified actuaries on the basis of periodic valuations.

The North London Hospice ceased to be an admitted body to the Local Government Pension Scheme during the year ended 31st March 2020, once the last active member had left the scheme. This has resulted in the crystallization of the cessation deficit now forming part of creditors.

Until the North London Hospice ceased to be an admitted body, Local Government Pension Scheme assets were measured at fair value and liabilities were measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations were obtained at least triennially and were updated at each balance sheet date. The resulting defined benefit asset or liability was presented separately on the face of the balance sheet. The amounts included in expenditure were the current service costs and gains and losses on settlements and curtailments. They were included as part of staff costs. Past service costs were recognised immediately in the statement of financial activities if the benefits had vested, that is, where entitlement to benefits had become unconditional. If the benefits had not vested immediately, the costs were recognised over the period until vesting occurred. The interest cost and the expected return on assets were shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses were recognised immediately.

Defined contribution scheme pension costs charged in the accounts represent the amounts payable to the scheme in respect of the year. Where employees' wages and salaries are allocated to unrestricted or restricted funds, the pension costs relating to those employees, and any associated liabilities, are allocated to the same funds.

m) Operating leases

Rental costs under operating leases are charged in the accounts in equal annual instalments over the period of the leases.

NORTH LONDON HOSPICENOTES TO THE ACCOUNTS - 31ST MARCH 20211. Legal status

North London Hospice is a company limited by guarantee and has no share capital. It is registered in England and Wales. The members of the company are the trustees named on page 1, of which there were 14 at 31st March 2021 (2020 - 12 members). In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, 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.

Key sources of estimation uncertainty

The annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 12 for the carrying amount of the tangible fixed assets and accounting policy e) for the useful economic lives for each class of asset.

3. Group accounts

The charity has one wholly owned subsidiary company, North London Hospice (Trading) Limited. Group accounts have not been prepared as the subsidiary company is not material in the context of the group. Accordingly, these accounts present information about the charity as an individual entity and not about its group.

NORTH LONDON HOSPICE

NOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)

	Unrestricted funds	Restricted funds	Endowment funds	Total
4. <u>Grants</u>				
<i>Year ended 31st March 2021</i>				
Barnet Clinical Commissioning Group	1,861,408	212,160	-	2,073,568
Enfield Clinical Commissioning Group	1,655,632	162,318	-	1,817,950
Haringey Clinical Commissioning Group	123,060	-	-	123,060
NHS Partial Offset of Pensions Costs	65,360	-	-	65,360
North Middlesex Hospital NHS Trust	-	681,092	-	681,092
Betty Messenger Funding	-	314,346	-	314,346
NHSE COVID-19 Emergency Funding	-	3,520,004	-	3,520,004
COVID-19 - Retail, Hospitality and Leisure Grants	185,123	-	-	185,123
	<u>£ 3,890,583</u>	<u>4,889,920</u>	<u>-</u>	<u>8,780,503</u>

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.

Year ended 31st March 2020

Barnet Clinical Commissioning Group	1,816,702	204,000	-	2,020,702
Enfield Clinical Commissioning Group	1,533,953	159,135	-	1,693,088
Haringey Clinical Commissioning Group	121,000	-	-	121,000
NHS Partial Offset of Pensions Costs	64,317	-	-	64,317
North Middlesex Hospital NHS Trust	-	598,433	-	598,433
Betty Messenger Funding	-	302,336	-	302,336
COVID-19 - Retail, Hospitality and Leisure Grant	370,000	-	-	370,000
	<u>£ 3,905,972</u>	<u>1,263,904</u>	<u>-</u>	<u>5,169,876</u>

5. Investment income*Year ended 31st March 2021*

Income from UK listed investments	167,900	-	61,626	229,526
Interest receivable	239	-	167	406
	<u>£ 168,139</u>	<u>-</u>	<u>61,793</u>	<u>229,932</u>

Year ended 31st March 2020

Income from UK listed investments	210,354	-	81,274	291,628
Interest receivable	7,266	-	668	7,934
	<u>£ 217,620</u>	<u>-</u>	<u>81,942</u>	<u>299,562</u>

NORTH LONDON HOSPICE

NOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)

	Unrestricted funds	Restricted funds	Endowment funds	Total
6. <u>Other income</u>				
<i>Year ended 31st March 2021</i>				
Education income	223,425	-	-	223,425
Management charge	2,824	-	-	2,824
Insurance claim	19,821	-	-	19,821
COVID-19 - Furlough Scheme	-	549,151	-	549,151
	<u>£ 246,070</u>	<u>549,151</u>	<u>-</u>	<u>795,221</u>
<i>Year ended 31st March 2020</i>				
Education income	£ 31,136	-	-	31,136
7. <u>Fundraising and promotion</u>				
<i>Year ended 31st March 2021</i>				
Staff costs	603,569	18,568	-	622,137
Other costs	98,409	-	-	98,409
	<u>£ 701,978</u>	<u>18,568</u>	<u>-</u>	<u>720,546</u>
<i>Year ended 31st March 2020</i>				
Staff costs	645,263	-	-	645,263
Other costs	146,566	-	-	146,566
	<u>£ 791,829</u>	<u>-</u>	<u>-</u>	<u>791,829</u>
8. <u>Charity shops expenditure</u>				
<i>Year ended 31st March 2021</i>				
Staff costs	745,360	444,264	-	1,189,624
Other costs	337,787	-	-	337,787
Rents paid under operating leases	515,045	-	-	515,045
Rates and water	2,723	-	-	2,723
	<u>£ 1,600,915</u>	<u>444,264</u>	<u>-</u>	<u>2,045,179</u>
<i>Year ended 31st March 2020</i>				
Staff costs	1,121,650	-	-	1,121,650
Other costs	321,907	-	-	321,907
Rents paid under operating leases	500,620	-	-	500,620
Rates and water	45,355	-	-	45,355
Depreciation	2,588	-	-	2,588
	<u>£ 1,992,120</u>	<u>-</u>	<u>-</u>	<u>1,992,120</u>

NORTH LONDON HOSPICE

NOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)

	Unrestricted <u>funds</u>	Restricted <u>funds</u>	Endowment <u>funds</u>	<u>Total</u>
9. <u>Cost of operation of hospice</u>				
<i>Year ended 31st March 2021</i>				
Direct costs				
Hospice staff costs	2,490,684	4,986,387	61,793	7,538,864
Catering and cleaning services	78,477	1,200	-	79,677
Other medical costs	157,789	20,885	-	178,674
Support costs				
Support staff costs	922,783	23,420	-	946,203
Premises costs	329,752	5,000	-	334,752
Other costs	563,439	15,267	-	578,706
Depreciation	377,846	-	-	377,846
Governance costs (see Note 10)	19,306	-	-	19,306
	<u>£ 4,940,076</u>	<u>5,052,159</u>	<u>61,793</u>	<u>10,054,028</u>
<i>Year ended 31st March 2020</i>				
Direct costs				
Hospice staff costs	5,779,645	1,214,731	81,942	7,076,318
Catering and cleaning services	107,748	-	-	107,748
Other medical costs	182,037	12,068	-	194,105
Support costs				
Support staff costs	856,019	18,917	-	874,936
Premises costs	482,371	1,739	-	484,110
Other costs	665,218	13,705	-	678,923
Depreciation	359,871	-	-	359,871
Governance costs (see Note 10)	18,026	-	-	18,026
	<u>£ 8,450,935</u>	<u>1,261,160</u>	<u>81,942</u>	<u>9,794,037</u>

Support costs including governance costs incurred relating to fundraising and promotion and charity shops are immaterial. Consequently all support costs are included in the cost of operation of hospice.

NORTH LONDON HOSPICE

NOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)

	Unrestricted <u>funds</u>	Restricted <u>funds</u>	Endowment <u>funds</u>	<u>Total</u>
10. <u>Governance costs</u>				
<i>Year ended 31st March 2021</i>				
Auditors' remuneration	10,935	-	-	10,935
Accountancy fees	8,371	-	-	8,371
	<hr/>	<hr/>	<hr/>	<hr/>
£	19,306	-	-	19,306
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Year ended 31st March 2020</i>				
Auditors' remuneration	10,330	-	-	10,330
Accountancy fees	7,696	-	-	7,696
	<hr/>	<hr/>	<hr/>	<hr/>
£	18,026	-	-	18,026
	<hr/>	<hr/>	<hr/>	<hr/>

11. Staff costs, trustee remuneration and expenses and the cost of key management personnel

	<u>2021</u>	<u>2020</u>
Wages and salaries	9,103,009	8,609,702
Social security costs	728,802	678,108
Pension costs	465,017	430,357
	<hr/>	<hr/>
£	10,296,828	9,718,167
	<hr/>	<hr/>

The charity operates both defined benefit and defined contribution schemes for its employees, the pension charge for the year is shown above. At the balance sheet date £68,605 (2020 - £65,323) was accrued for pension costs.

Analysis by function:

Hospice services	7,538,864	7,076,318
Fundraising and promotion	622,137	645,263
Shops	1,189,624	1,121,650
Support	946,203	874,936
	<hr/>	<hr/>
£	10,296,828	9,718,167
	<hr/>	<hr/>

The number of higher paid employees was:

	<u>2021</u> <u>Number</u>	<u>2020</u> <u>Number</u>
£60,000 to £70,000	7	2
£70,000 to £80,000	3	1
£80,000 to £90,000	1	1
£100,000 to £110,000	-	2
£110,000 to £120,000	1	-
	<hr/>	<hr/>

NORTH LONDON HOSPICENOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)**11. Staff costs, trustee remuneration and expenses and the cost of key management personnel (continued)**

Contributions were made to a defined benefit scheme for six (2020 - three) higher paid employees and to a defined contribution scheme for five (2020 - two) higher paid employees. Total contributions in the year amounted to £61,720 (2020 - £39,180).

No trustees have received any remuneration in respect of their services or had any expenses reimbursed (2020 - the same).

The average number of employees, analysed by function, was:

	<u>2021</u> <u>Number</u>	<u>2020</u> <u>Number</u>
Hospice services	125	123
Fundraising and promotion	11	12
Shops	41	40
Support	20	20
	<u>197</u>	<u>195</u>

The staff costs and numbers of employees do not include any allowance for the work carried out for the Hospice by over 620 volunteers. Volunteers have carried out a variety of roles including welcoming visitors to the Hospice, assisting staff in the inpatient unit in serving meals, helping to transport patients to and from the Health and Welfare Centre, carrying out numerous administrative functions and helping at fundraising events, and a significant number of volunteers assist in our charity shops. The value of this work cannot be quantified.

The key management personnel of the charitable company are the trustees and the executive team, comprising the Chief Executive, the Medical Director, the Commercial and Finance Director, the Director of Fundraising and Communications, the Director of People and the Director of Clinical Services. The employee benefits of the key management personnel totalled £567,427 (2020 - £539,879).

12. Tangible fixed assets

	<u>Freehold land</u> <u>and buildings</u>	<u>Furniture,</u> <u>fixtures and</u> <u>fittings</u>	<u>Medical</u> <u>equipment</u>	<u>Motor</u> <u>vehicles</u>	<u>Refurbishment</u>	<u>Total</u>
Cost						
At 1st April 2020	10,180,777	2,046,829	377,052	120,254	483,617	13,208,529
Additions	-	67,159	53,000	-	105,607	225,766
Disposals	-	(11,330)	-	-	(750)	(12,080)
At 31st March 2021	<u>10,180,777</u>	<u>2,102,658</u>	<u>430,052</u>	<u>120,254</u>	<u>588,474</u>	<u>13,422,215</u>
Depreciation						
At 1st April 2020	2,906,871	1,744,463	336,366	120,254	117,587	5,225,541
Charge for the year	175,393	117,527	26,079	-	58,847	377,846
Disposals	-	(11,330)	-	-	(550)	(11,880)
At 31st March 2021	<u>3,082,264</u>	<u>1,850,660</u>	<u>362,445</u>	<u>120,254</u>	<u>175,884</u>	<u>5,591,507</u>
Net book values						
At 31st March 2021	<u>£ 7,098,513</u>	<u>251,998</u>	<u>67,607</u>	<u>-</u>	<u>412,590</u>	<u>7,830,708</u>
At 31st March 2020	<u>£ 7,273,906</u>	<u>302,366</u>	<u>40,686</u>	<u>-</u>	<u>366,030</u>	<u>7,982,988</u>

Freehold land and buildings includes buildings with a cost of £8,769,618 (2020 - the same) that are being depreciated.

Freehold land and buildings have not been revalued. The trustees consider that there is no advantage in obtaining a valuation as the land and buildings are used exclusively for charitable purposes.

All assets are held for charitable use.

NORTH LONDON HOSPICE

NOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)

13. <u>Fixed asset investments</u>	<u>2021</u>	<u>2020</u>
Listed investments:		
Market value at 1st April 2020	11,370,939	11,694,034
Additions at cost	229,526	291,628
Net gains/(losses) on investments	2,305,775	(614,723)
	<hr/>	<hr/>
Market value at 31st March 2021	13,906,240	11,370,939
Cost of shares in subsidiary company:		
North London Hospice (Trading) Limited	5,000	5,000
	<hr/>	<hr/>
	£ 13,911,240	11,375,939

The historical cost of the listed investments as at 31st March 2021 was £9,364,767 (2020 - £9,135,241).

At 31st March 2021 the listed investments all related to UK equities listed on the International Stock Exchange, London.

At 31st March 2021 UK equities comprised:

	<u>Market value £</u>	<u>Cost £</u>
6,798,165.31 units in the Newton Growth Fund for Charities	10,719,347	7,089,692
2,137,276.53 units in the Newton Global Growth & Income Fund for Charities	3,186,893	2,275,075
	<hr/>	<hr/>
	£ 13,906,240	9,364,767

The Hospice owns 100% of the ordinary share capital of North London Hospice (Trading) Limited, a company registered in England and Wales, company number 2268094. The registered office address of North London Hospice (Trading) Limited is 47 Woodside Avenue, London, N12 8TF.

Until 31st March 2018 North London Hospice (Trading) Limited sold goods on behalf of the public for commission, following which the owners were invited to donate the proceeds to the charity under the gift aid scheme. Since 1st April 2018 this has been dealt with directly by the charity.

During the year ended 31st March 2021 the Hospice charged North London Hospice (Trading) Limited a management charge of £2,824 net of VAT (2020 - £nil).

NORTH LONDON HOSPICENOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)14. Debtors

	<u>2021</u>	<u>2020</u>
VAT recoverable	110,742	140,374
Other debtors	703,160	366,548
Prepayments and accrued income	5,137,442	2,704,936
	<u>£ 5,951,344</u>	<u>3,211,858</u>

Prepayments and accrued income includes measurable legacies committed to North London Hospice as at 31st March 2021, but which were not received by that date, amounting to £3,787,212 (2020 - £2,009,789).

15. Creditors: amounts falling due within one year

	<u>2021</u>	<u>2020</u>
Expense creditors	415,226	446,105
Amount owed to subsidiary company	-	3,389
Taxation and social security	193,363	187,426
Other creditors	472,696	979,187
Accruals and deferred income	214,670	212,729
	<u>£ 1,295,955</u>	<u>1,828,836</u>

Within other creditors at 31st March 2021 is £210,500 (2020 - £631,500) owed to the London Pension Fund Authority resulting from the crystallization of the pension fund liability during year ended 31 March 2020.

Other creditors also includes £262,196 (2020 - £347,687) relating to agency sales under the retail Gift Aid scheme.

16. Creditors: amounts falling due after more than one year

	<u>2021</u>	<u>2020</u>
Loan - The Governors of the Peabody Donation Fund (secured) (including rolled up interest of £956,820 (2020 - £935,720))	1,456,820	1,435,720
London Pension Fund Authority (see note 15)	-	210,500
	<u>£ 1,456,820</u>	<u>1,646,220</u>

The loan, the principal sum of which is £500,000, is secured by a charge over certain freehold land owned by the Hospice and only becomes repayable, together with interest thereon equivalent to the drop in real value of the principal sum due to inflation between 30th June 1987 and the date of repayment, in certain eventualities, the main ones being in the event of liquidation or if the building is used for any purpose other than a hospice. The trustees consider the likelihood of such eventualities remote, and accordingly the creditor has been included within creditors: amounts falling due after more than one year.

17. Defined benefit pension scheme liability

Under the rules of the Local Government Pension Scheme, the North London Hospice ceased to be an admitted body to the scheme during the year ended 31st March 2020, once the last active member had left the scheme. This has resulted in the crystallization of the cessation deficit now forming part of creditors.

	<u>2021</u>	<u>2020</u>
Net liability at 1st April 2020	-	380,000
Amount debited to the statement of financial activities, being actuarial losses	-	462,000
Liability crystallized during the year	-	(842,000)
Net liability at 31st March 2021	<u>£ -</u>	<u>-</u>

The amount included in the balance sheet comprises:

Present value of funded obligation	-	-
<u>Deduct:</u> Fair value of scheme assets	-	-
Net liability in the balance sheet	<u>£ -</u>	<u>-</u>

The fixed charge given by the charity over one of its freehold properties in favour of the London Pension Fund Authority in respect of the net liability was be discharged on payment of the last quarterly instalment, due on 21st May 2021.

NORTH LONDON HOSPICENOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)18. Endowment funds

	Pauline Glasser Endowment	Mrs. Burgess Fund for Children	Capital Fund	Endowment Fund	Total
Balance 1st April 2020	479,699	17,000	150,000	1,724,519	2,371,218
Income	13,426	-	-	48,367	61,793
Expenditure	(13,426)	-	-	(48,367)	(61,793)
Unrealised gains	119,548	-	-	429,867	549,415
Balance 31st March 2021	£ 599,247	17,000	150,000	2,154,386	2,920,633

Pauline Glasser Endowment:

Under a trust deed dated 1st April 1993 the income of the trust fund may only be applied for the maintenance of the Hospice and for all other charitable purposes for which the North London Hospice was established. The fund is represented by fixed asset investments.

Mrs. Burgess Fund for Children:

A capital sum of £17,000 was received in June 1995. Income is used for the company's principal charitable purpose. The fund is represented by cash on deposit.

Capital Fund:

Capital sums of £150,000 were received in 1993 and 1994. Income from the fund can be used for general purposes and the fund is represented by cash on deposit.

Endowment Fund:

A capital sum of £1,280,095 was received during the year ended 31st March 2008. Income generated from the fund may be used for the Hospice's general purposes. The trustees have also agreed with the donor that part or all of the capital sum may be used on running costs should the need arise in future years in a narrow range of particular circumstances. The fund is represented by fixed asset investments.

19. Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations to be applied for specific purposes:

	Balance 1st April 2020	Income	Expenditure	Transfers between funds	Balance 31st March 2021
Community and IPU nursing fund	-	49,256	(49,256)	-	-
Equipment and teaching fund	-	21,922	-	(21,922)	-
Garden and building maintenance fund	-	5,000	(5,000)	-	-
Haringey Community Team	-	681,092	(681,092)	-	-
IPU refurbishment project fund	-	43,875	(19,840)	(24,035)	-
Kitchen refurbishment fund	-	1,000	-	(1,000)	-
Overnight Community Service	103,885	314,346	(315,871)	-	102,360
PCSS fund	-	374,478	(374,478)	-	-
NHSE COVID-19 Emergency and COVID-19 - Furlough Scheme fund	-	4,069,155	(4,069,155)	-	-
IT equipment fund	-	16,850	-	(16,850)	-
Other	-	300	(300)	-	-
£	103,885	5,577,274	(5,514,992)	(63,807)	102,360

Transfers have been made from the restricted equipment and teaching fund, the IPU refurbishment project fund, the kitchen refurbishment fund and the IT equipment fund to the unrestricted general fund since appropriate expenditure has been incurred and therefore the conditions relating to the inherent restrictions have been complied with.

NORTH LONDON HOSPICE

NOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)

20. Designated fund

The trustees have designated £6,373,888 (2020 - £6,547,268) as a tangible fixed assets fund. This fund represents an amount equal to the net book value of the tangible fixed assets less the creditor falling due after more than one year which is secured by a charge over certain freehold land owned by the Hospice, as it forms part of the funds the Hospice holds that are not readily available to expend on meeting its charitable objectives.

21. Analysis of net assets between funds

At 31st March 2021

	<u>Tangible fixed assets</u>	<u>Investments</u>	<u>Current assets</u>	<u>Creditors</u>	<u>Total</u>
Endowment funds					
Pauline Glasser Endowment	-	599,247	-	-	599,247
Mrs. Burgess Fund for Children	-	-	17,000	-	17,000
Capital Fund	-	-	150,000	-	150,000
Endowment Fund	-	2,154,386	-	-	2,154,386
Restricted funds					
Overnight Community Service	-	-	102,360	-	102,360
Unrestricted funds					
Designated fund					
Tangible fixed assets fund	7,830,708	-	-	1,456,820	6,373,888
General fund	-	11,157,607	8,381,987	1,295,955	18,243,639
£	7,830,708	13,911,240	8,651,347	2,752,775	27,640,520

At 31st March 2020

<u>Company</u>	<u>Tangible fixed assets</u>	<u>Investments</u>	<u>Current assets</u>	<u>Creditors</u>	<u>Total</u>
Endowment funds					
Pauline Glasser Endowment	-	479,699	-	-	479,699
Mrs. Burgess Fund for Children	-	-	17,000	-	17,000
Capital Fund	-	-	150,000	-	150,000
Endowment Fund	-	1,724,519	-	-	1,724,519
Restricted funds					
Overnight Community Service	-	-	103,885	-	103,885
Unrestricted funds	-	-	-	-	-
Designated fund					
Tangible fixed assets fund	7,982,988	-	-	1,435,720	6,547,268
General fund	-	9,171,721	4,999,513	2,039,336	12,131,898
£	7,982,988	11,375,939	5,270,398	3,475,056	21,154,269

NORTH LONDON HOSPICENOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)22. Commitments under operating leases

The company is committed to make the following future minimum lease payments under non-cancellable operating leases for the use of land and buildings:

	<u>2021</u>	<u>2020</u>
Payable within one year	435,065	466,437
Payable within two to five years	704,809	1,166,281
Payable in more than five years	-	26,926
	<hr/>	<hr/>
£	1,139,874	1,659,644
	<hr/>	<hr/>

23. Financial instruments

	<u>2021</u>	<u>2020</u>
Financial assets		
Financial assets measured at fair value	16,606,243	13,431,011
Financial assets that are debt instruments measured at amortised cost	5,575,605	2,759,274
	<hr/>	<hr/>
£	22,181,848	16,190,285
	<hr/>	<hr/>
Financial liabilities		
Financial liabilities measured at amortised cost	1,602,592	2,348,521
	<hr/>	<hr/>

NORTH LONDON HOSPICE

NOTES TO THE ACCOUNTS - 31ST MARCH 2021 (Continued)

24. Prior year's statement of financial activities

	Unrestricted <u>funds</u>	Restricted <u>funds</u>	Endowment <u>funds</u>	Total <u>funds</u>
Income:				
Donations and fundraising	1,515,441	120,142	-	1,635,583
Legacies	3,248,749	-	-	3,248,749
Charitable activities				
Grants	3,905,972	1,263,904	-	5,169,876
Other trading activities				
Charity shops sales	2,082,592	-	-	2,082,592
Donated agency sales	589,397	-	-	589,397
Rental income	11,655	-	-	11,655
Investment income	217,620	-	81,942	299,562
Other	31,136	-	-	31,136
Total income	11,602,562	1,384,046	81,942	13,068,550
Expenditure:				
Raising funds				
Fundraising and promotion	791,829	-	-	791,829
Charity shops expenditure	1,992,120	-	-	1,992,120
Investment manager's fees	50,062	-	-	50,062
Charitable activities				
Cost of operation of hospice	8,450,935	1,261,160	81,942	9,794,037
Other				
Interest on loan from The Governors of the Peabody Donation Fund	36,799	-	-	36,799
Total expenditure	11,321,745	1,261,160	81,942	12,664,847
Net losses on investments	(355,642)	-	(259,081)	(614,723)
Net (expenditure)/income before transfers	(74,825)	122,886	(259,081)	(211,020)
Transfers between funds	118,341	(118,341)	-	-
Net (expenditure)/income after transfers	43,516	4,545	(259,081)	(211,020)
Other recognised losses				
Actuarial losses on defined benefit pension scheme	(462,000)	-	-	(462,000)
Net movement in funds	(418,484)	4,545	(259,081)	(673,020)
Reconciliation of funds:				
Total funds brought forward, 1st April 2019	19,097,650	99,340	2,630,299	21,827,289
Total funds carried forward, 31st March 2020	£ 18,679,166	103,885	2,371,218	21,154,269