

Company Registration number 1812104
Charity Registration number 289466

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

DIRECTORS' AND TRUSTEES REPORT AND ACCOUNTS

FOR THE YEAR ENDED 31 MARCH 2021



ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

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ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

Report of the Trustees and Strategic Report for the year ended 31 March 2021

The Trustees of the charity submit their annual report and the financial statements for the year ended 31st March 2021 which are also prepared to meet the requirements for a director's report and accounts for Companies Act purposes. The Trustees have adopted the provisions of the statement of Recommended Practice (FRS102) 'Accounting & Reporting by Charities' issued in October 2019 in preparing the annual report and financial statements of the charity, and the Charities Act 2011.

HISTORY OBJECTIVES AND ACTIVITIES OF THE CHARITY

Name of Charity: St Luke's Hospice (Basildon & District)

Charity No.: 289466

Company No.: 1812104

Governing Document: St Luke's Hospice (Basildon & District) is a company limited by guarantee, governed by Memorandum & Articles of Association dated April 27th 1984

Description: A Hospice providing specialist medical and nursing care affording social and psychological support to individuals at all stages of any advanced progressive non-curative disease. As well as supporting family and friends

Address: St Luke's Hospice, Nethermayne, Basildon, Essex, SS16 5NJ.

Trustees:

Mr G W Peaty – Chairman	appointed 27.04.1984
Mrs M Moura	appointed 08.07.1997
Mrs M Bartlett	resigned 25.11.2020
Dr R Maunder	appointed 28.02.2006
Mrs P Stone	appointed 30.09.2016
Mr B Wellman	appointed 30.09.2016
Mrs D Squier	resigned 31.07.2021
Mr D Lawrence	appointed 18.02.2020
Mr M Nice	appointed 18.02.2020

Chief Executive Mrs E Marshall - Chief Executive appointed 30.09.2002

Structure, Governance & Management Appointment of Trustees

The requirements of the Strategic Report are covered within the Trustees Report

The Memorandum and Articles of Association provides for a minimum and maximum number of Trustees. The Board of Trustees is currently comprised of 7 members. Members are elected for a period of three years after which they are eligible for re-election at the next Annual General Meeting. Trustees may sit on other nominated Committees or groups, as determined and agreed collectively by the Board.

For the period the Trustees of the charity are also Directors of an associated company, SLH Trading Limited which exists purely for the purpose of generating income for the Hospice through the sale of donated goods.

The Board meet approximately every six weeks. All Members of the Board give their time voluntarily and receive no benefits from the charity.

The Chief Executive Officer is appointed by the Board to manage the day to day operations of the charity. Role and job descriptions for the Trustees and Chief Executive identify the responsibilities of the respective roles and the levels of delegation.

Trustees are recruited to ensure that an appropriate range of skills exist. The Trustees will periodically undertake a skills analysis to determine whether there is a need to recruit individuals with other specific skills or whether particular skill areas need to be strengthened. Recruitment processes take into account the individual's skills, knowledge, ability, and eligibility to serve as a Trustee. All new Trustees are interviewed and have an opportunity to attend two meetings to meet all Board members prior to nomination and appointment.

Trustee Induction & Training

New Trustees are appointed a mentor from the Board and are required to participate in a comprehensive induction programme organised by the Chief Executive, which includes meeting with senior managers and staff of the Hospice. The induction process includes the provision of a detailed induction pack which provides a range of information, including, the governing document, administrative procedures, history and philosophy of the organisation, service details, the most recent annual report and business plan and guidance on the role of a Trustee from the Charity Commission.

The Trustees periodically undertake training sessions to update their knowledge of services and issues facing the charity. These sessions may include workshop style meetings to increase knowledge of service delivery or looking at broader initiatives which influence the strategic direction of the charity from a local and national perspective. In recent years this has particularly related to the challenging times within which the Hospice operates. Workshop programmes are scheduled throughout the next twelve months.

Related Parties

The Hospice works closely with its two primary Clinical Commissioning Groups (CCG's) Basildon and Brentwood CCG and Thurrock CCG. This collaboration has enabled significant service development in recent years which has broadened and strengthened local service delivery, across the area, supporting innovation and robust service delivery.

In addition to this the Hospice receives funding from two further neighbouring CCG's to support the South Essex Lymphedema Service which operates across South Essex. The Hospice also works with Essex County Council, Basildon Council and Thurrock Unitary Authority.

The Hospice continues to work with SPDNS Nurse Care and Marie Curie to deliver Community Services, this coordinated response maximises local resources and retains patient focus.

The benefits of working collaboratively were particularly highlighted during the Covid pandemic. The need to share resources, adjust protocols and processes to continue services in a safe and coordinated way, enabled a level of collaborative working with other partners which was affirming and effective. The aim is to continue this model in forthcoming years and as such St. Luke's

Hospice will be exploring this approach with commissioners, other health providers and neighbouring local hospices.

Within the last year the Hospice has worked with colleagues across the locality to review service delivery as part of the Strategic Transformation Plan and has led a number of the workshops which have helped to shape future strategy. This group has been merged into the Mid and South Essex Health and Care Partnership (MSEHCP). With the changing dynamics of health care provision, the Hospice now also works with colleagues from the MSEHCP, a locality team covering Mid and South Essex. The aim of the group is to improve health and wellbeing by implementation of a five-year plan in response to the NHS plan.

The Hospice continues to maintain a working relationship with Hospice UK.

Public Benefit Statement

The strategies and objectives of the charity focus on the provision of palliative care to individuals with life limiting illnesses, including but not exclusive to cancer. The Trustees are satisfied that as such activities are undertaken to further the organisation's charitable purposes for the public benefit.

Risk Management

The Trustees review and assess the major risks to which the charity is exposed, with particular reference to health and safety, finance, business risk and clinical practice. Risks pertinent to on-going proposals to expand and develop accommodation and services continue to be actively monitored and considered.

A comprehensive risk assessment strategy ensures that potential risks are viewed and reported regularly as part of the Corporate and Clinical Governance process, ensuring that risk assessment and management are thoroughly embedded into the culture and ethos of the organisation at all levels.

The organisation's Complaints Procedures and Safety and Governance Group, (formerly the Management of Incidents Committee), aim to analyse specific incidents or events to ensure that quality and safety is maintained. Incidents are fully investigated and addressed and where necessary practice is improved and learning shared, to ensure high standards of performance are maintained and activity continues to comply with statutory requirements.

Codes of Practice and statutory requirements are followed and professional advice sought where necessary.

Annual insurance reviews are undertaken and insurance cover arranged as required.

The Hospice has an extensive and full range of internal policies and procedures easily accessible to staff and with a number identified as essential reading for all staff, including newly recruited staff.

Objectives & Activities

The objectives of the charity are to:

- Promote and encourage high standards of palliative care for people within South West Essex, who have specialist palliative care needs principally, but not solely restricted to cancer, without discrimination

- Adopt a holistic approach to service provision, providing for the physical, social, emotional and spiritual needs of the patient in partnership with families, friends and other health and social care teams
- Provide comprehensive community counselling services to all age groups within the community
- Provide information to enable patients to make their own choices about the care they receive and the setting in which it is provided
- Teach other professionals about the needs of palliative care patients so that all who are involved in their care may feel equipped for their responsibility whether they are in hospices, hospitals, or in the community
- Support staff and provide a healthy and safe environment in which to work to a standard of excellence

Difference We Make

Collectively the Hospice team works to provide the highest levels of palliative care and has been rated as Outstanding by the CQC inspection.

The organisation is committed to extending care whenever possible to meet the complex needs of individuals with cancer or other life limiting illnesses, with an increasing emphasis on long term conditions.

Care extends from diagnosis to end of life care, or survivorship. In addition to patient needs, the Hospice adopts a holistic approach to support patients, family and friends, at all stages and in bereavement.

The Hospice is passionate about care delivery and meeting increasing community needs and plays an important role in coordinating services with other healthcare providers, including training to maximise local resources and develop a collaborative approach, with a common vision to retain the patient at the focus. Within this context the Hospice has actively developed programmes to support local care homes and to avoid transference of care home patients to hospital.

Quality

The organisation continued to address quality performance via its Corporate and Clinical Governance Structure, including the Strategic Quality Steering Group and Strategic Action Group (SAG).

Data and processes introduced to assess patient satisfaction levels, continued to provide up to date responses for evaluation.

In 2019 the Hospice participated in a staff survey which afforded comparisons with other Hospices. The details of the assessment were shared with staff at the re-configured staff forums, which provide a joint forum for staff to meet with management. Due to the pandemic, resources did not enable a survey to be completed in 2020/21, but a survey will be undertaken 2021/22.

In the light of the pandemic the CQC modified practice and during the period postponed on- site visits instead instigating reviews as part of their Transitional Monitoring Assessment process, a virtual

assessment tool. Responses and discussions with the Inspector confirmed the Hospice's risks were low and the Inspector noted they were impressed with the performance of the organisation. The CQC confirmed the performance of the organisation across all standards enabling the charity to retain its 'Outstanding' rating.

Trustees Provider visits, which enable Board Review of the services and provide an opportunity to meet with staff, volunteers and service providers, thereby providing a greater insight into the activity of the charity, were suspended during the pandemic but these will recommence in 2021/22

Community links remained strong throughout the year with the Fundraising team delivering a range of initiatives and events to build community support and engagement.

The Hospice continued to work collaboratively in partnership to maximise resources and through innovation to constantly adapt to meet the increasingly complex needs of End of Life Care delivery and indeed during this time the success of collaborative working across all areas for public benefit was particularly highlighted.

Objectives for the Year

The charitable environment within which the Hospice operates is traditionally unpredictable and most commonly demand and expectation remains high where resources can be scarce.

COVID has provided a whole new dimension to the operational and strategic position of the Hospice, impacting on services and funding.

During the next year the Hospice will:

- Address the impact of COVID on service delivery within the context of a Reset and Recovery Plan
- Support team members as they come to terms with the impact of COVID through the organisation's Health and Wellbeing programme
- Extend access to Hospice services for people with progressive long term conditions
- Increase awareness and access of services to people with learning disabilities who have palliative and end of life care needs.
- Embed the Wellbeing, Information and Support Hub (WISH)
- Work within the changing commissioning structure to adjust to the emerging frameworks
- Look to increase options for collaborative working to maximise resources and services
- Realign data collection and reporting and performance trends to support planning and inform financial decisions.
- Improve the organisation's digital and social media approach
- Enhance the organisations approach to social and media
- Review recruitment and retention programmes to maximise the skills mix of the team
- Embed the new Hospice site at Thurrock and review and progress plans for the Basildon site

Achievements in 2020– 2021

The pandemic significantly impacted on the work of the Hospice since March 2020. For a large proportion of the year the Hospice operated under emergency planning conditions as the various waves and stages of the pandemic presented.

Whilst services were maintained, clinical service models were challenged requiring immediate reviews of all service delivery methods to ensure continuity and patient and staff safety. In some areas these reviews necessitated different approaches to palliative care delivery, as treatments changed from face to face appointments to virtual.

Activity levels remained high Hospice Community Services (HCS), were exceptionally busy with higher levels of delivery than any previous years, 17% increase in episodes of care since 2019/20. This was particularly influenced by patients and their families opting for care at home where traditional In-Patient Unit care was affected by the requirement to reduce visiting arrangements. HCS saw a growth in service calls of 3% throughout the year, with 5000 calls received in May, the highest level ever recorded.

St. Luke's Hospice is unique in being one of the only hospices locally who have a Frailty and Care Home Palliative Support Service.

Support to Care Homes intensified in the period and hospice staff continued to support care home activity. Visits to Care Homes continued along with telephone calls to support care home staff. Care Home education continued during COVID with Hospice staff providing formal and informal teaching including Verification of Expected Death and bereavement support to care home staff who saw unprecedented numbers of deaths during COVID.

In Patient activity within the year was subject to fluctuation. In the first wave of Covid activity reduced largely due to a reluctance to admissions with limited visiting, however this trend was not evident in subsequent waves. Total admissions for the year were 203. Despite the circumstances the team were still able to meet individual patient requests for celebrations with a surprise cream tea and a marriage blessing being amongst the most notable, events that were held.

The concept of Day Hospice delivery in its traditional form ceased in March 2020. The team worked consistently with patients to maintain contact and to oversee their medical conditions, offering advice and reassurance throughout the subsequent months. Whilst the social element of the service changed where on-site group work was not permissible, the team explored new ways to enable interaction between staff and patients to provide therapeutic and social support. These changes subsequently led to the remodelling of the service in November 2020, with the merging of the day Hospice and Information Service to form the Wellbeing and Information Service Hub to afford a combined framework with clinical and therapeutic support.

Counselling services for adults and children continued virtually during the period, a small level of funding was diverted to boost counselling support during the height of Covid19 to enable additional access to the bereaved.

Physio Therapy and Lymphoedema services similarly saw increased activity on line where face to face meetings could not proceed or vulnerable patients were not advised to attend clinics. Home visits were increased at this time and became an increasingly common model of service delivery which has continued.

Completion of the new hospice building in Thurrock, which commenced in 2019, was delayed as a result of Covid19. The building finally passing to Hospice ownership in November 2020 allowing the first teams to relocate to the site in Spring 2021.

Business Support Services operated throughout the year to generate income, enable building adaptations and support safe working and oversee the hospice's financial position.

During the period many staff were required to operate from home, teams worked efficiently to establish and undertake home working to ensure minimal interruption. Staff responded well to all of

the changes required, including a number of staff who were re-deployed to strengthen teams where activity was highest. A core of staff continued to operate from site during the period.

The Executive and Senior Management Team constantly reviewed government guidance and regulation, continually adapting practice and processes to maintain safety in a rapidly changing environment

Volunteers have always performed an essential role within the organisation. Government restrictions prevented many of our volunteers from attending the hospice and performing their roles. The management team will be working to review volunteering opportunities within new service models and exploring new roles to assist in moving the organisation forward, including the volunteering requirements at the charity's new hospice site.

Staff and volunteers are commended for their perseverance, dedication, commitment, collective and rapid response during this time. This together with the organisations ability to coordinate with fellow healthcare professionals, including commissioners and partners has enabled the continuation of support to vulnerable people within our community, which remains the primary priority of the organisation.

Financial Review

The principal funding sources were received from Clinical Commissioning Groups, donations and gifts, government grants through Hospice UK and fundraising activities. During the year we were given a gift of a new building in the Thurrock District, which was valued at 3.155m.

There was a surplus for the year of £5,065,358 compared to a deficit of £138,711 for the previous year. This was due to government grants received via Hospice UK due to the COVID pandemic, and the gift of the Thurrock building.

External statutory funding from NHS sources is primarily secured via both Basildon and Brentwood CCG and Thurrock CCG. The Hospice maintains a good and strong relationship with both CCG's in developing and advancing services for the local community. Statutory income has continued to be boosted by funding for the OneResponse and Fast Track services. There is a collective Commitment to deliver innovative and streamlined services, many of which are Commissioner Requested Services. Funding is also received from Castle Point and Rochford and Southend CCGs to support the South Essex Lymphoedema Service, which operates across the whole of South Essex.

Considerable success was also achieved in securing and retaining funding from Macmillan, the Big Lottery.

The associated Trading Company, continued to perform well throughout the year. The company achieved against predicted targets with a final contribution of £320,000 to the Hospice (£513,000 2020).

Lottery income also performed well within the year, with a total contribution to funds of £233,483 (£226,490 2020).

The Hospice relies heavily on the goodwill and generosity of the local community, with funds raised through general donations and fundraising activities.

Fundraising continued to be challenging as events were not able to be held due to the pandemic.

Whilst Legacy income can be difficult to predict, large legacy contributions were received throughout the year to the value of £283,298 (£427,500 2020)

Gift Aid and Lottery income continued to perform well throughout the year and the Hospice benefitted from the change in the treatment of VAT for Hospices.

COVID Funding

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose, the funding through Hospice UK saw grants throughout the year with a total income of £2,258,823 with an additional £239,758 received through the furlough scheme

Expenditure across the organisation was well managed with savings achieved against budget, some administrative staff members were placed on the furlough scheme which helped towards these savings.

Reserves Policy

The Board of Trustees undertook an annual review of the Reserves Policy for the period and determined that unrestricted funds held by the charity should where possible continue to be between three and six months of the annual expenditure. The Board remain confident that, at this level, charitable activities can continue should a significant drop in income occur. The remaining funds are held to further the aims of the charity.

Restricted funds were received throughout the year and held for specific capital purchases or allocated to specific services as defined by the donors. A percentage of legacy income received by the charity supplements general funds, the remainder is wherever possible, directed to Reserves.

At 31st March 2021 the Charity held total reserves of £9,990,022 (inclusive of fixed assets), which is split as follows

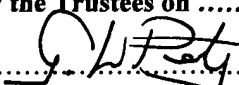
Restricted Reserves	£1,227,433
Fixed Assets	£6,026,871
General Reserves	£2,735,719

The general reserves of £2,735,719 are held for equipment and working capital.

Investment Policy

The Investment Policy is similarly subject to annual review with consideration given to ethical considerations, risks and the strategic objectives of the organisation. The Board have considered investment rates for longer term investments but are reluctant to enter into such arrangements when interest rates are so low and funds may be required to support progression of capital development initiatives. The Hospice has therefore continued to maximise investment income, by investing in a range of opportunities, which provide the most preferable rates of return on short to medium term investment programmes.

Approved by the Trustees on22/11/21..... and signed on behalf

.......... G.W. Peaty

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

Independent Auditor's Report To the Members of St Luke's Hospice (Basildon & District) Limited year ended 31st March 2021

Opinion

We have audited the financial statements of St Luke's Hospice (Basildon & District) Limited for the year ended 31 March 2021 which comprise the statement of financial activities, the balance sheet, the cash flow statement and notes to the financial statements, including a summary of significant accounting policies. The financial framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- Have been properly prepared in accordance with United Kingdom generally accepted accounting practice; and
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for Opinion

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

Conclusions relating to going concern

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 entity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained in the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be

materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard

Opinion on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' and strategic report, which includes the directors' report prepared for the company law purposes, for the financial year for which the financial statements are prepared is consistent with the financial statements
- The strategic report and the directors' report included within the trustees' report has been prepared in accordance with applicable legal requirements

Matters on which we are required to Report by Exception

In the light of the 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 trustees' and strategic report.

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

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

Responsibilities of Trustees

As explained more fully in the trustees' responsibilities statement on pages 1 & 2 the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparation the financial statements, 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.

Auditors responsibilities of the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements

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

Discussions with and enquiries of management and those charged with governance were held with a view to identifying those laws and regulations that could be expected to have a material impact on the financial statements. During the engagement team briefing, the outcomes of these discussions and enquiries were shared with the team, as well as consideration as to where and how fraud may occur in the entity.

The following laws and regulations were identified as being of significance to the entity:

Those laws and regulations considered to have a direct effect on the financial statements include UK financial reporting standards, Company Law, Tax and Pensions legislation, and distributable profits legislation.

Those laws and regulations for which non-compliance may be fundamental to the operating aspects of the business and therefore may have a material effect on the financial statements include operating license, environmental regulations, health and safety legislation.


Audit procedures undertaken in response to the potential risks relating to irregularities (which include fraud and non-compliance with laws and regulations) comprised of: inquiries of management and those charged with governance as to whether the entity complies with such laws and regulations; enquiries with the same concerning any actual or potential litigation or claims; inspection of relevant legal correspondence; review of board minutes; testing the appropriateness of journal entries; and the performance of analytical review to identify unexpected movements in account balances which may be indicative of fraud.

No instances of material non-compliance were identified. However, the likelihood of detecting irregularities, including fraud, is limited by the inherent difficulty in detecting irregularities, the effectiveness of the entity's controls, and the nature, timing and extent of the audit procedures performed. Irregularities that result from fraud might be inherently more difficult to detect than irregularities that result from error. As explained above, there is an unavoidable risk that material misstatements may not be detected, even though the audit has been planned and performed in accordance with ISAs (UK).

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>.

Use of our report

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


.....
J. Boyden FCA (Senior Statutory Auditor)
Consultify Ltd T/A "Pocknells"
Chartered Accountants and Statutory Auditor

46 Hullbridge Road
South Woodham Ferrers
Essex
CM3 5NG

Dated: 22/11/21.....

Statement of Financial Activities
For the year ended 31 March 2021

SUMMARY OF INCOME AND EXPENDITURE ACCOUNT

	Note	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021 Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>2020 Total</u>
Income							
<u>Donations and Legacies</u>							
Donations and Gifts	2	3,312,773	736,462	4,049,235	919,639	560,878	1,480,517
Legacies		283,298	-	283,298	427,500	-	427,500
Trusts and other Organisations	3	6,224	267,488	273,712	250,974	280,291	531,265
Coronavirus Job retention scheme		233,429	-	233,429			
Lottery		233,483	-	233,483	226,490	-	226,490
<u>Income from Trading Activities</u>							
Fundraising		490,519	-	490,519	945,518	-	945,518
Cycle to work scheme		816	-	816		-	-
Investment income	4	7,759	-	7,759	9,052	-	9,052
<u>Income from Charitable Activities</u>							
Education		30	-	30	15,994	-	15,994
Hospice UK resilience funding		-	2,258,823	2,258,823			
CCG	3	5,110,814	359,343	5,470,157	4,953,159	361,461	5,314,620
Total income		9,679,145	3,622,116	13,301,261	7,748,326	1,202,629	8,950,955
Expenditure							
<u>Expenditure on raising funds</u>							
Fundraising	5	371,657		371,657	582,343		582,343
<u>Resources expended on Charitable activities</u>							
In Patient Unit	5	3,537,875	1,777,010	5,314,885	5,814,673	83,305	5,897,978
Day Care		462,057	227,580	689,637	851,622		851,622
Hospice at Home and Hospice at Home Social Care			357,050	357,050	-	358,946	358,946
SAAS		562,656	277,129	839,785	673,302		673,302
SELS		108,122	53,254	161,376	173,576		173,576
Counselling information and education		82,110	419,403	501,513	91,388	460,571	551,959
Total expenditure		5,124,477	3,111,426	8,235,903	8,186,904	902,822	9,089,726

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

**Statement of Financial Activities
For the year ended 31 March 2021**

SUMMARY OF INCOME AND EXPENDITURE ACCOUNT (cont'd)

	Note	<u>Unrestricted</u>	<u>Restricted</u>	<u>2021</u> <u>Total</u>	<u>Unrestricted</u>	<u>Restricted</u>	<u>2020</u> <u>Total</u>
Net Income		4,554,668	510,690	5,065,358	(438,578)	299,807	(138,771)
Transfer between Funds		(81,977)	81,977	0	205,298	(205,298)	0
Net Movement of Funds		4,472,691	592,667	5,065,358	(233,280)	94,509	(138,771)
Reconciliation of funds							
Total funds brought forward at 1st April 2020		4,289,899	403,566	4,693,465	4,523,179	309,057	4,832,236
Total funds carried forward at 31st March 2021		8,762,590	996,233	9,758,823	4,289,899	403,566	4,693,465

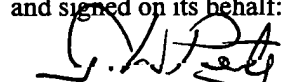
All the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for the Companies Act purposes comprises the net income for the year.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

**Balance Sheet
as at 31 March 2021**

	Note	2021	2020
		£	£
Fixed Assets			
Tangible Assets	9	6,026,871	2,890,915
Current Assets			
Debtors	10	2,819,000	2,151,525
Cash at Bank		<u>3,119,947</u>	<u>2,012,064</u>
		5,938,947	4,163,589
Creditors			
Amounts falling due within one year	11	<u>1,975,796</u>	<u>2,129,840</u>
Net Current Assets		<u>3,963,151</u>	<u>2,033,749</u>
Total Assets Less Current Liabilities		<u><u>£9,990,022</u></u>	<u><u>£4,924,664</u></u>
Funds of the Charity			
Unrestricted income funds:			
General Reserve		8,762,590	4,289,899
Restricted income funds		<u>996,233</u>	<u>403,566</u>
		9,758,823	4,693,465
Revaluation fund	14	<u>231,199</u>	<u>231,199</u>
		<u><u>£9,990,022</u></u>	<u><u>£4,924,664</u></u>

Approved by the board on
and signed on its behalf:



G.W. Peaty – Director and Trustee

Date 22/11/21

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

CASH FLOW STATEMENT

YEAR ENDED 31st MARCH 2021

	31/03/2020	31/03/2021
	£	£
Net cash provided by (used in) operating activities	(232,202)	4,317,694
Cash flow from investing activities:		
Purchase of fixed assets	<u>(101,881)</u>	<u>(3,209,810)</u>
Increase/(decrease) in cash and cash equivalents in the year	<u>(334,083)</u>	<u>1,107,883</u>

Notes to the cash flow statement

	31/03/2020	31/03/2021
	£	£
a) Reconciliation of changes in resources to net inflow from operating activities		
Net income/(expenditure)	(138,771)	5,065,358
Depreciation	73,638	73,855
(Increase)/decrease in debtors	(168,507)	(667,475)
Increase/(decrease) in creditors	<u>1,438</u>	<u>(154,044)</u>
Net Cash provided by/(used in) operating activities	<u>(232,202)</u>	<u>4,317,694</u>

	31/03/2020	Cash Flow	31/03/2021
	£	£	£
b) Analysis of cash and cash equivalents			
Cash at bank and in hand	<u>2,012,064</u>	<u>1,107,883</u>	<u>3,119,947</u>

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED

Notes to the financial statements for the year ended 31 March 2021

1 Accounting policies

1 (a) Basis of preparation of the accounts

The financial statements have been prepared in accordance with the Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern.

The charity constitutes a public benefit entity as defined by FRS 102.

The charity's functional and presentational currency is the pound sterling.

1 (b) Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation and impairment charges.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 10% on cost and 25% on cost
Land and buildings	- Land not provided for
	- Buildings 0-1% on cost
Property Improvements	- 25% on cost
Motor Vehicles	- 25% on cost

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2021

1 (c) Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is entitled to the income, receipt is virtually certain and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of Income:

- Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is conditional on the delivery of a specific performance by the Charity, are recognised when the Charity becomes unconditionally entitled to the grant.
- Donated services and facilities are included at the value to the Charity where this can be quantified.
- Legacies are accounted for at the time of receipt of the gift or once there is sufficient probability of receipt.
- Investment income is included when receivable.
- Government COVID-19 grants and furlough income are recognised when the charity has entitlement to the funds
- Government COVID-19 grants with a total income of £2,258,823 were received by the charity during the year, with an additional £239,758 received through the furlough scheme

1 (d) Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT, which cannot be fully recovered, and is reported as part of the expenditure to which it relates:

- Costs of generating funds comprise the costs associated with attracting voluntary income.
- Charitable expenditure comprises those costs incurred by the Charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.
- Governance costs include those costs associated with meeting the constitutional and statutory requirements of the Charity and include the audit fees and costs linked to the strategic management of the Charity.
- All costs are allocated between the expenditure categories of the Statement of Financial Activities on a basis designed to reflect the use of the resource. Costs relating to a particular activity are allocated directly, others are apportioned on the basis of management estimates of the amount attributable to that activity in the year either by reference to staff time, space occupied, or estimated usage, as appropriate.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2021

1 (e) Fund accounting

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

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors.

The revaluation fund represents the revaluation to fair value of the charity's freehold buildings

1 (f) Pension scheme

The company operates a defined benefit scheme and a defined contribution group personal pension scheme. The charity is unable to identify its share of the underlying assets and liabilities of the scheme as it is part of the state run NHS pension scheme. Likewise, any future contributions which may be required to make up any funding deficit are also unable to be quantified. The assets of the group personal scheme are held separately from those of the Charity in an independently administered fund.

The pension costs charge represents contributions payable by the Charity to the funds for the year.

During the year, the company paid £215,586 into the NHS benefit scheme, and £220,346 into the group personal pension scheme for the benefit of staff.

1 (g) Financial instruments

Financial instruments are recognised in the Charity's balance sheet when it becomes a party to the contractual provisions of the financial instrument.

Trade debtors

Trade debtors are non-interest bearing and are stated at original invoiced amount.

Cash

Cash comprises cash at bank and in hand.

Trade creditors

Trade creditors are non-interest bearing and are stated at the original invoiced amount.

1(h) Operating Leases

The charity classifies the lease of certain property and business equipment as operating leases, the title to equipment remains with the lessor, rental charges are charged on a straight line basis over the term of the lease.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2021

	2021	2020
	£	£
2 Donations and gifts		
Individuals and Trusts	574,235	967,517
Corporate	320,000	513,000
Thurrock Building	3,155,000	-
	<hr/>	<hr/>
	4,049,235	1,480,517
	<hr/>	<hr/>

3 Grants received

Grants received include the following:

Clinical Commissioning Group for running of the Hospice £3,650,343 (2020 £3,723,977)
Clinical Commissioning Group to fund SELS £225,794 (2020 £221,370).
Clinical Commissioning Group to fund Hospice at Home Service £212,184 (2020 £172,498)
Clinical Commissioning Group to fund Adult Bereavement Service £42,279 (2020 £85,077)
Clinical Commissioning Group to fund Child Bereavement Service £60,174 (2020 £58,994)
Clinical Commissioning Group to fund Hospice at Home Social Care £17,301 (2020 £16,692)
Clinical Commissioning Group to fund SAAS £702,632 (2020 £688,855)
As lead provider, we also receive income from the Clinical Commissioning Group for Marie Curie and St Francis services £559,450 (2020 £537,794)
Hospice UK government scheme £2,258,823
Big Lottery - £157,607 (2020 £153,780)
Children in Need - £36,699 (2020 £35,607)
Macmillan Cancer Support for Information Resource Services £3,948 (2020 £52,632).
Essex Community Foundation - £5,000
SPDNS - £3,250
Edward Gosling Foundation - £25,000
Ford Britain Trust - £2,550
Fowler Smith & Jones Trust - £20,000
The Provisional Grand Lodge of Essex (MCF) - £1,440 (2020 £1,440)
Morrissions Foundation - £15,324
Sir Jules Thorn Charitable Trust - £5,000
Basildon Council - £5,000
Matthew Good Foundation - £250
The Hospital Saturday Fund Charitable Trust - £2,000
East Tilbury Relief In Need Charity - £2,000

4 Investment income

	2021	2020
	£	£
Bank interest receivable	7,759	9,053
	<hr/>	<hr/>

Notes to the financial statements (cont'd)
for the year ended 31 March 2021

5. TOTAL RESOURCES EXPENDED

		Hospice @Home & Hospice @Home					Counselling Information & Education		2021	2020
		Ipu £	Day Care £	Social Care £	SAAS £	SELS £	£	Fundraising £	TOTAL £	TOTAL £
Staff costs	D	3,416,108	281,786	344,949	812,456	157,949	449,736	338,135	5,801,119	6,450,251
Staff volunteers expenses and training		7,038	1,163	8,153	8,036	793	594.71	-	25,778	69,822
Property & equipment		29,279	-	-	50	-	22,187	-	51,516	95,127
Marketing	D		-	-		-	-	-	0	198
Other costs	D	234,906	1,425	3,949	19,243	2,634	28995		291,152	314,214
Fundraising events								33,522	33,522	62,380
Governance costs - Audit Fee		6,500							6,500	6,500
Total of direct costs		3,693,831	284,374	357,051	839,785	161,376	501,513	371,657	6,209,586	6,998,492
Support Costs Allocated to activities										
Staff costs	C	1,149,242	287,310						1,436,552	1,482,713
Building & facilities		412,727	103,182						515,909	534,883
Depreciation	C	59,085	14,771						73,856	73,638
		5,314,885	689,637	357,051	839,785	161,376	501,513	371,657	8,235,903	9,089,726

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2021

6 Expenditure

	2021	2020
	£	£
The following are included in expenditure:		
Depreciation	73,855	73,638
Auditor's remuneration	6,500	6,131

7 Staff costs

	2021	2020
	£	£
Salaries	4,993,069	5,270,225
Employers national insurance	354,618	377,044
Pension contributions - defined benefit scheme	215,585	240,704
- group personal scheme	220,347	163,526
	<u>5,783,619</u>	<u>6,051,499</u>

No trustee received any remuneration from the Charity (2020: £Nil).

No trustee received any expenses in the year (2020: £Nil).

Staff termination payments during the year £3,540. (2020 £8,102)

The Hospice considers that the key management personnel comprise the trustees, the Chief Executive and the Executive Team. The total salaries and employer pension contributions of the key management personnel of the Hospice were £470,599 (2020 £646,352).

The highest paid member of staff salary is £62,049 (2020 £61,333), there were no other members of staff with a salary higher than £60,000 per annum.

The average number of employees employed on a full-time equivalent (FTE) basis and in total (NO) by the Charity during the year (excluding directors) was:

	2021	2021	2020	2020
	FTE	NO	FTE	NO
Medical	76	101	78	104
Counselling, Bereavement and information	12	21	15	25
Fundraising	10	11	11	12
Administration	32	44	37	51
	<u>130</u>	<u>177</u>	<u>141</u>	<u>192</u>

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2021

8 Taxation

No liability to Corporation Tax arose for the year ended 31st March 2021 nor for the year ended 31st March 2020.

9 Tangible fixed assets

	Property Improvements £	Land and Buildings £	Plant and Machinery £	Motor Vehicle £	Totals £
Cost					
At 1 April 2020	444,317	2,650,736	1,089,875	72,985	4,257,913
Additions	3,444	3,155,000	51,366		3,209,810
Revaluations	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2021	447,761	5,805,736	1,141,241	72,985	7,467,723
Depreciation					
At 1 April 2020	354,423	537	948,449	63,588	1,366,997
Additions	32,484	574	38,830	1,967	73,855
	-	-	-	-	-
At 31 March 2021	386,907	1,111	987,279	65,555	1,440,852
Net book Value					
At 31 March 2021	60,854	5,804,625	153,962	7,430	6,026,871
At 31 March 2020	89,894	2,650,199	141,425	9,397	2,890,915

The principal building owned by the charity is Fobbing Farm, Nethermayne, Basildon, Essex SS16 5NJ. The building was professionally valued on 20th December 2016 by R. Freese B.Sc (Hons) MRICS of Kemsleys LLP to determine the fair/open market value of the property. This value (£2,250,000) is reflected in these accounts and the excess over cost has been credited to a Revaluation Reserve. The trustees consider this to represent the fair value of the building at the balance sheet date.

The addition to land and buildings represents a new hospice building in Thurrock which was gifted to the charity in the year. This building is included at a value of £3,155,000 as valued by D Butcher BSc (Hons) MRICS in September 2021 which the trustees consider to represent fair value of the building at the balance sheet date.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2021

10 Debtors

	2021	2020
	£	£
Due within one year		
Trade Debtors	1,295,005	159,767
Prepayments and accrued income	1,200,923	1,565,521
Other debtors	323,072	426,237
	<u>£2,819,000</u>	<u>£2,151,525</u>

11 Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	319,999	744,224
Other creditors and accruals	383,111	156,783
Deferred income	1,272,686	1,228,833
	<u>£1,975,796</u>	<u>£2,129,840</u>

Deferred income comprises CCG grant income received in advance which relates to the period 1st April 2021 to 30th June 2021.

Balance at 1 April 2020	1,228,833
Amount released to income earned from charitable activities	(1,228,833)
Amount deferred in year	<u>1,272,686</u>
Balance at 31 March 2021	<u>£1,272,686</u>

12 Related party transactions

£320,000 (2020 £513,000) was paid to the company as a gift from SLH Trading Limited and is an associated company controlled by the same board of directors.

13 Share capital

The company is limited by guarantee and therefore has no share capital.

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2021

14 Analysis of net assets between funds

	Revaluation Fund £	Restricted Funds £	General Funds £	Total £
Tangible fixed assets	231,199	-	5,795,672	6,026,871
Net current assets	-	996,233	2,966,918	3,963,151
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2021	231,199	996,233	8,762,590	9,990,022
	<hr/>	<hr/>	<hr/>	<hr/>

Analysis of net assets between funds – Previous year

	Revaluation Fund £	Restricted Funds £	General Funds £	Total £
Tangible fixed assets	231,199	-	2,659,716	2,890,915
Net current assets	-	403,566	1,630,183	2,033,749
	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 March 2020	231,199	403,566	4,289,899	4,924,664
	<hr/>	<hr/>	<hr/>	<hr/>

ST LUKE'S HOSPICE (BASILDON & DISTRICT) LIMITED
Notes to the financial statements for the year ended 31 March 2021

15 Statement of funds

Statement of Funds

	As 1/4/2020	Income	Expenditure	Transfers	At 31/3/2021
	£	£	£	£	£
Unrestricted funds					
General reserve	4,289,899	11,937,969	(7,383,301)	(81,977)	8,762,590
Restricted funds					
Specific Bequests	183,759	493,359		(211,023)	466,095
Hospice at Home	179,688	312,184	(309,805)	0	182,067
Adult Bereavement	127,579	199,886	(195,889)	-	131,576
Children's Bereavement	137,405	157,982	(154,219)	0	141,168
IRS	17,425	71,176	(69,295)	0	19,306
Hospice at Home Social Care	(42,755)	52,301	(47,245)	38,000	301
Hospice at Home Enhanced Medical Care	54,744	-	-	-	54,744
Physio Team	(254,279)	76,405	(76,150)	255,000	976
	4,693,465	13,301,262	(8,235,904)	-	9,758,823
Revaluation Reserve	231,199				231,199
Total Funds	4,924,664	13,301,262	(8,235,904)	-	9,990,022
	As 1/4/2019	Income	Expenditure	Transfers	At 31/3/2020
	£	£	£	£	£
Unrestricted funds					
General reserve	4,523,179	7,748,326	(8,186,904)	205,298	4,289,899
Restricted funds					
Specific Bequests	115,466	273,591		(205,298)	183,759
Hospice at Home	169,125	334,023	(323,460)	-	179,688
Adult Bereavement	118,670	203,857	(194,948)	-	127,579
Children's Bereavement	134,823	135,473	(132,891)	-	137,405
IRS	14,838	135,319	(132,732)	-	17,425
Hospice at Home Social Care	(43,230)	35,961	(35,486)	-	(42,755)
Hospice at Home Enhanced Medical Care	54,744	-	-	-	54,744
Physio Team	(255,379)	84,405	(83,305)	-	(254,279)
	4,832,236	8,950,954	(9,089,726)	-	4,693,465
Revaluation Reserve	231,199				231,199
Total Funds	5,063,435	8,950,954	(9,089,726)	-	4,924,664

Transfer of Funds

The transfer of funds from the Specific Bequest fund to General fund is the expenditure made throughout the year for various items which have been restricted by the funder or donor. The majority of restricted income received in this financial year has been for equipment for the new Thurrock Building, which has subsequently been spent in the year. The restricted income also received for our adult and child counselling services has also been spent during the year via the general fund.

The transfer of Income from the General fund to the Physio & Hospice at Home Social Care funds was made to refinance the specific funds.

Policy on Reserves and Funds held

The trustees review their policy on reserves annually.

At the Balance Sheet date, the charity had total funds of £9,990,022 comprising restricted funds of £1,227,432 and unrestricted funds of £8,762,590

Restricted funds are held to provide future services. The charity recognises that the money held has been provided to us by third parties for the provision of specific equipment or services and they are therefore, held for that purpose only.

Of our unrestricted funds (general reserves) of £8,762,590 £6,026,871 is designated funds relating to the fixed assets as shown in note 9. The remainder of the charity's unrestricted reserve fund £2,735,719 is being held to provide for future building needs, equipment and working capital.

Free reserves currently equate to approximately 5 months of total expenditure expected in the forthcoming financial year, which is in line with our current policy which aims to keep a minimum of 3 months running costs in reserve. A proportion of future legacy funds will therefore be retained to maintain our policy.

16 Leasing agreements

At the year end the company had total commitments under operating leases for photocopier rental and new phone system of £194,321 as follows:

1 year	£	83,380
2-5 years	£	110,941
>5 years	£	-
		<hr/>
		£ 194,321

17 General Information

St Luke's Hospice (Basildon & District) Limited, incorporated in England and Wales, Registered number 1812104, is a private company limited by guarantee. The registered office is Fobbing Farm, Nethermayne, Basildon, Essex, SS16 5NJ.