

Trustees' Report and Financial Statements

March 2022



dovehouse
hospice

caring for people with a life limiting illness



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Vision, Strategy and Values

Our Vision and Strategy

Although the core aims of the strategy have not fundamentally changed, work to update this document in light of the changes to the external environment largely caused by the Covid-19 pandemic is now well underway.

Our Values

United we will be Passionate, Positive and Professional.



Welcome from the Chief Executive and Chair



Chris Sadler
Chief Executive



Philip Daniels
Chair of the
Board of
Trustees

Thank you

Everyone involved at Dove House should be proud of the important part we play in the local healthcare system and the difference we make to patients and their families in Hull and the East Riding of Yorkshire. The Trustees Report and Financial Statements provide detailed information on our financial position, celebrate our work over the past year but also look forward to some of our future plans in the years ahead. Sincere thanks to all our dedicated, passionate and professional staff, volunteers and trustees for their unwavering support over the past year and to all our supporters for their amazing generosity.

A year of transition

It is a privilege to once again report and reflect on another challenging but rewarding year at Dove House, a year where we focus on our post Covid-19 financial recovery, but also look at the progress we have made to reopen some of our drop in and community services which have been severely affected by the pandemic. The transition in our funding model from a reliance on Covid support schemes back to our conventional fundraising activities has been a great success and testimony to all our supporters and those employed in raising the vital funds to sustain Dove House. This has allowed our core services to continue delivering outstanding care across the community and to provide reassurance around our commitment to running our full range of services as we move into the new financial year.

Statutory Funds

However, our ability to raise funds should not mask the chronic underfunding of the services from a statutory perspective, with the burden to meet these costs predominantly falling at the door of the community. We are hopeful that the new statutory healthcare framework and the advent of the Integrated Care Boards will address some of the unfairness in how hospice services are commissioned. The Clinical Commissioning Groups have now been replaced by the recently formed Humber and North Yorkshire Health and Care Partnership, which should deliver, not just a coordinated approach to health and care, but also an equitable and sustainable level of funding for hospice care that is reflective of the activity and services provided. Only with a fair system of funding can we as an organisation look to develop our strategic 5-year plan with some certainty around our services and ambitions.

Services

We talked in last year's trustee's report about the important work we have been doing with all our stakeholders to help shape our care and services in the future. Although covid has delayed some of this work, we are close to completing this project which will help shape our thinking as we look to develop our long-term strategic plan. What is clear is the inequalities of access to specialist palliative care across the region with an increased need and demand for these specialist services in the community. As an organisation we have to acknowledge the burden of care that exists for families living at home and in care home settings. So, our approach will try and address the imbalance in our care model as we look to provide a more comprehensive and responsive level of support to patients in community settings something that will only be achievable with additional statutory funding.

Redevelopment Plans

Throughout the past year the demand on our inpatient unit and the services provided at the hospice site has been at unprecedented levels, a demand we have been unable to meet due to a number of factors. The original hospice was built and completed in 1991 and although there have been additions and modifications, structurally the main inpatient unit remains the same. At present we only have 5 single rooms in a unit with 21 beds, which has become a major barrier with referrals. There is little or no natural light in the majority of our bedrooms, access to outside space is limited and we have little capacity to develop and expand services in the future. So, over the past year we have engaged with Architects to address all the issues with our current site. Our building plans are ambitious but exciting (see page 29) as we look to provide a modern-day hospice facility that meets the ever-increasing demands with flexibility to develop services in the future.

Nick's story

“When going to Dove House was first mentioned to us we had no idea what they had to offer. Dad was in pain so we knew we needed help but, like so many people, **we thought that a hospice was a place you just go to die.** We were nervous to go into Dove House.

During the pandemic was a worrying time to need support for Dad but every single aspect of Dove House was fantastic. **We could never have imagined the support we would instantly be surrounded with.**

Dad has Chronic Obstructive Pulmonary Disease (COPD) but we had no idea what stage his illness was at and we really didn't know what was going to happen. As soon as Dad went to Dove House the doctors could see he was struggling more than he should have been and within such a short time of first coming through the doors Dad was on oxygen and his pain was easing.

Dad spent eight lovely weeks at the hospice and we only have amazing words to say about the care he received. I can't change what is happening to Dad, I just want the best possible care for my loved one like anyone would, and at Dove House he was given just that.

From not knowing what a hospice had to offer to coming away saying it's all brilliant is such a relief. People do of course die at Dove House, I think we all know that but that wasn't our family's story. **Like Dad, lots of patients are able to come out of the hospice once their symptoms are being managed.**

I think the true beauty about receiving respite care is that we got to see first hand how fantastic the hospice really is because you really don't appreciate that until you are there surrounded by those caring conversations and that feeling that, no matter what your need is, you and your loved ones are looked after.

We wouldn't question going back to the hospice, they know everything about Dad's condition and how to help him.

As his son, this gives me such peace of mind. Dad has told me that he wants to die at Dove House, words that I thought would hurt to hear but actually, now that we have experienced the beauty that is hospice care, we are both at peace with that decision.”



Our Care In Numbers

2021/22 was another year where Covid restrictions meant we couldn't help as many people as we are used to because many of our usual services were still not operating. We are however so proud of the amount of local people who we could care for in this second difficult year.

275
Inpatient
admissions

201 people died
at Dove House

1280
total referrals
received for
our care

112 Physiotherapy
assessments

124 Outpatient
Complementary
Therapy sessions

39%
non-cancer
diagnosis

339 people
helped
by the Family
Support Team

10 admissions for
Respite Care

30 patients accessed
Occupational Therapy

53%
of inpatients
were from Hull

8
days average stay
on the Inpatient Unit

98 contacts made
by the Motor
Neurone Disease nurse

79
sessions
of Music
Therapy
delivered
by staff

Family Support
Team made

3458
contacts to
adults and
children who
needed
support

112 admissions
for Pain &
Symptom management

Some words from patients' families:

““ She made a decision in hospital that she could only be safe at Dove House Hospice, rather than at home or in hospital. We knew she felt, once in your care, that decision was vindicated and she got the end of life experience she wanted ””

““ Thank you so much for all the support, care and compassion you gave during her short stay with you... the time we spent with her at the hospice gave us comfort and the kindness and support you gave us was fantastic. We will always be grateful for looking after us too. ””

““ To all the nurses. I would just like to say a HUGE thank you to all of you who looked after my mum. We don't know what we would have done without you. To say we are amazed she has come home, is an understatement! You truly are all angels! ””

““ Terminal illness is very difficult to cope with for both patient and family, but it makes it easier to bear knowing they can feel safe and cared for... I felt very relieved when I knew she was being cared for so well. Thank you so much once again for your valuable work. ””

““ You helped us all through a very difficult time in our lives with such care and compassion. We all felt supported, listened to and felt cossetted by you, enabling us to support our sister on her journey in comfort. ””

““ Your care and compassion for our mum turned what had been a living nightmare into many months of cherished memories for all of us. You were the only place where our mum felt safe and comfortable, where she was able to enjoy time with friends and family and where she could, if only for fleeting moments, feel like the woman she was before her diagnosis. ””

Our Services

In 2021-22 we were thankful to see the relaxation of the restrictions that had curtailed much of our activity during the previous year. This meant we were able to resume some of the services we had paused and open more beds towards the end of the year. We are very thankful to our clinical staff for their response to the ever-changing guidance and are proud that our patients and their wishes were prioritised in all that we did.

Our Care in Numbers

During 2021-2022 we admitted 275 patients on to the unit; 201 died here at the hospice and 191 patients achieved their preferred place of care. Only 10 patients were unable to return home due to lack of services available to care for them or families being unable to have them at home. Of the 275 admissions, 112 were for pain and symptom control, 153 for end-of-life care and 10 for respite care.

An audit of referrals from the acute trust to the Wilberforce Inpatient Unit carried out by the Specialist Palliative Care Team at Hull University Teaching Hospitals (HUTH) for the period January 2021 – December 2021 showed that Dove House Hospice admitted 101 patients directly from hospital. 80% of patients referred to a hospice were admitted to Dove House Hospice and 72 % were transferred on the same or the next day. Transfer to the hospice enables patients and their families to access our multidisciplinary team and receive excellent person-centred care and support. It has also enabled the NHS to use their beds and services appropriately in response to the pressures they have faced.



Remaining Open and Accessible

Although restricted on bed numbers, our Inpatient Unit remained open and operational throughout the year. We prioritised visiting as we recognised early on how hugely important seeing loved ones is for families facing bereavement. Patients and families welcomed this approach as many had been unable to see their loved ones for days, weeks and even months whilst being in hospital and we have heard so many touching stories of visits making such a positive difference to families.

98% of those who had experienced our care rated it as very good (Stakeholder Analysis 2022)

Community Engagement

Feedback gathered via the Family and Friends Test stated that **100% of those who responded would recommend our services to others** should they be in a position to need them. Information sessions were also delivered via Zoom to local groups to raise awareness of our services.

Stage one of our Stakeholder Analysis work, a Public Perceptions Survey, took place in the summer of 2021. 800 households across Hull and East Yorkshire were surveyed to gauge levels of awareness and ask their opinions about the care we provide. Some of the findings included:

92% had heard of Dove House

88% would want care delivered in person

77% knew Dove House is an independent local charity

46% would prefer a private room if they were an inpatient

91% of people would be considering accessing hospice care should they need it

98% of those who had experienced Dove House care would describe it as very good

95% consider care being delivered in the home environment very important or important

84% of those who were aware of the hospice knew someone who had used the services

As we move into 2022, interviews will also begin to take place with health and social care professionals from across the region to assess their knowledge of our services and to find out how we can support them to help more patients and establish if there are any barriers to them referring to the hospice.

144 contacts through the online referral



Digital Developments

144 contacts were made to the hospice through our new online referral system. The system was added to the hospice website in early 2021 to improve access to our services, guide people to the most appropriate service for them and enable a referral to be done at any time or place.

In early 2021 we went live with an Electronic Palliative Care Co-ordinating System (EPaCCS) which enables the recording and sharing of a patient's care preferences and key details about their care at the end-of-life. In September 2021 we also upgraded our patient database which allows us to improve bed management, prescribing, remote working, patient communication and reporting.



Quality, Compliance and Improvement

A Quality, Compliance and Improvement Group was established to continually improve and make advancements in our care. Many of the improvements we have made over the past year have stemmed from this group and have been embedded in policies, procedures and working patterns.

97 Children were referred to the Children's Bereavement Groups

Day Services & Groups

Our Day Hospice remained on pause during 2021-22, but the Amy Johnson Community Hub was used to hold outpatient clinics and Child Bereavement Groups. We also worked in partnership with local group Fitmums and Friends to provide a program of walks and yoga for bereaved people. We are actively looking at bringing back more day services in 2022. The nature of the services will be driven by the needs of our patients and their relatives and work is currently underway to establish how we can best meet these needs.

Our Child Bereavement Groups blossomed over the last 12 months. The groups are funded by Children in Need and are open to children and young people who have experienced bereavement so they can discuss how they are feeling with others in the same situation, develop coping mechanisms and improve confidence. In 2021 97 children were referred to the groups.

Equality Act 2010: Disability



The hospice is a mindful employer. As an employer we recognise that in the UK, people experiencing mental ill health continue to report stigma and discrimination at work. Having signed the 'Charter for Employers Positive about Mental Health', we are committed to creating a supportive and open culture, where colleagues feel able to talk about mental health confidently, and aspire to appropriately support the mental wellbeing of all staff.

We first signed the charter on 26/11/2019. This was reviewed on 21/02/22. Our next review will be 26/11/2023.

The hospice carries out a fair recruitment procedure in line with our 'Equal Opportunity' policy. We treat all applicants fairly and base our shortlisting and selection decisions on how closely a person matches our person specification.

During employment, if an employee discloses or develops a medical condition that meets the definition of a disability under the Equality Act 2010, we explore this with the employee, seeking occupational health guidance where appropriate. We make all reasonable adjustments for employees with a disability.

Access to training, career development and promotion is not affected by a person's disability as we would make all reasonable adjustments.

When assessing if we are able to make adjustments, the hospice considers a) how effective the adjustment is in removing or reducing the disadvantages, b) how practical the adjustment is to make, c) hospice financial resources and d) assessing whether the adjustment could negatively impact on the health and safety of others.

Glen's Story

“ After spending five weeks in hospital I very much welcomed the calmness and quietness of Dove House. I am living with cancer, have had brain aneurisms, a lung removed, and multiple tumours and within the space of two weeks I lost all feeling and function in my legs. I had gone from a handyman who could do anything to not even being able to walk.

Coming to Dove House was like a breath of fresh air, I could relax and I could finally see my grandkids. They are the light of my life and not being able to see them for five weeks was far too long. In hospital I had to have one designated person who would visit and having two daughters that felt like an impossible choice. It was a lot of pressure and responsibility to put on just one person as she would have to relay all of the information to the rest of my family. At Dove House I didn't have to choose, everything was much easier.

The atmosphere at Dove House is so welcoming and everyone that visited was made to feel welcome, especially the little ones. They were free to be themselves just like they would be if they were visiting me at home, it was that little bit of normal for them and for me. One of my grandkids even made me a card and I was able to have it on my sunny windowsill.

One thing that really strikes me about Dove House is how the care is personal, the nurses build a real relationship with you, they even knew I had a sweet tooth and that jam sponge and custard was my favourite! There is a lot to be said about homemade hospice food, I loved the meals.

After a couple of weeks at Dove House, a care plan was in place for me to go home but I know Dove House is there when I need them.

I will never be afraid of coming back into the hospice. ”



Structure, Governance and Management

Trustees' Responsibilities

The Trustees who are also Directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2022. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

The trustees (who are also directors of Dove House Hospice for the purposes of company law) are responsible for preparing the Trustees' Annual Report (including the Strategic Report) and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2019 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation. The Trustees are responsible for keeping adequate accounting records that disclose with reasonable

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

In so far as the Trustees are aware:

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

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



Administration and Reference Details

Officers and executives of the charity:

President:

Vacancy

Vice Presidents:

Dr Sean Dunn

Maureen Lipman, DBE

Governing Board of Trustees:

Philip Daniels (Chairman)

Trustees:

Jim Doyle (Vice Chairman)

Jan Antons

Margaret Butt

John Dunning

Jim Harris (Appointed
20th January 2022)

Dr Daniel Harman

Anthony Rowland

Dr Rajarshi Roy

Penny Stephenson (Resigned
7th March 2022)

Emma Wolverson

Leadership Team:

Christopher Sadler:
*Chief Executive/Director of
Finance and Support Services*

Sarah Cash:
*Deputy Chief Executive/
Director of Business and
Income Development*

Andrew Walker:
*Director of People and
Development*

Linda Johnson:
Director of Clinical Services

Dr Rachael Dixon:
*Consultant in Palliative
Medicine*

Registered Office:

Dove House Hospice,
Chamberlain Road,
Hull, HU8 8DH

Registered Charity Number:

509551

Company Number:

01498747

Principal Advisors:

Solicitors:

Graham & Rosen
8 Parliament Street
Hull
HU1 2BB

Pepperells Solicitors
100 Alfred Gelder Street
Hull
HU1 2AE

Auditors:

BHP LLP
Rievaulx House
1 St Mary's Court
York
YO24 1AH

Bankers:

HSBC
3-4 Jameson Street
Hull
HU1 3JX

Investment Managers:

Rathbone Investment
Management Limited
Earl Grey House
75-85 Grey Street
Newcastle Upon Tyne
NE1 6EF

Governing Document

Dove House Hospice Limited is a registered charity and company limited by guarantee without share capital. The charity's governing document is its Memorandum and Articles of Association which restricts the charity's operations to all such lawful acts as are incidental or necessary to the attainment of its objectives.

Appointment, Induction, and Training of Trustees

Appointment, induction, and training of Trustees takes place in accordance with Fit and Proper Person legislation (Health and Social Care Act (2008) Regulated activities (Regulations) 2014). That being that Trustees are appointed rather than elected by a membership.

Any person may apply to become a Trustee and a process is in place whereby the applicant's suitability for the role is tested through an appropriate application and interview process which assesses the applicant's suitability for the role and that they fulfil the requirements of the Fit and Proper persons legislation. Any potential new Trustee would have to complement and enhance the existing skill mix of the Board prior to undergoing a 'fit and proper person check'. Appointment is agreed by resolution at a meeting of the Board of Trustees. The term of office begins on this date. All terms of office will be for 3 years without time limit.

All newly appointed Trustees are provided with an information pack including guidance on being a trustee of a charity and specific guidance related to being a Trustee at Dove House Hospice. Induction includes a detailed site visit and meetings with the Chair and the Executive Leadership Team. Specific time is set aside to meet with the Director of Finance ensuring that new appointments have a full understanding of the finances of the organisation.

Training is delivered on a rolling programme and includes essential elements such as annual Safeguarding and Information Governance (IG) training. Every year, the Trustees meet outside of the Board meetings to have a Development Day. This includes a review of the hospice's 5 year strategy, presentations from the Executive Leadership Team, plans for the future and discussions on governance.

The hospice has also introduced a Trustee appraisal system and all trustees have had an appraisal with the Chairman. Among other

things, regular appraisal sits well within the 'fit and proper person' legislation, as it helps to ensure the ongoing suitability of the Trustee for their role and also, it gives Trustees the opportunity to ask any questions and raise any concerns they may have. The process has been welcomed by the Trustees and the feedback has been positive.

Organisation

The responsibility to ensure appropriate management of the charity is vested in the Board of Trustees. To assist the Board in discharging and achieving its responsibilities, it receives regular reports on some aspects of its principal functions from the Chief Executive and the Executive Leadership Team (ELT). These reports ensure Board Members have relevant information to review all the financial and clinical activities of the charity.

The Chief Executive, who leads the management team, is responsible to the Board of Trustees for the day to day management of the charity and the execution of the policies and strategies defined by the Board.

Audit Committee

The purpose of the Audit Committee is to ensure robust governance in relation to risk and financial processes. This is a non-executive committee of the Board of Trustees and will have no executive powers other than those specifically delegated in the agreed terms of reference. The committee will include a minimum of three Trustees and two members of the Executive Leadership Team and will focus on governance, risk management and internal control.



Related Parties

The charity has a wholly owned trading subsidiary, Dove House Trading Limited. The activities of Dove House Trading Limited are restricted to activities that assist in the furtherance of the objects of the charity. As noted within the notes to the financial statements the charity provides services by way of management charges, which are considered to be at an arm's length price, to Dove House Trading Limited. All of the income of Dove House Trading Limited is donated to the charity under the Gift Aid scheme.

Risk Management

The Trustees and the ELT are responsible for managing the risks faced by the organisation. A Risk Register is in place. Key areas of risk have been identified as follows:

- Day to day reputational risk
- Safeguarding (protecting people (non-regulated activity))
- Recruitment of senior nursing/medical/executive/staff
- Threats to current funding especially internal income streams, but also external NHS funding
- Core staffing levels (key personnel)
- IG security

The Trustees and the Executive Leadership Team continually review the risks faced by the charity and have satisfied themselves that systems and procedures are established in order to mitigate these risks as far as possible.

Remuneration

The Chair and Audit Committee are responsible for setting the pay and remuneration levels for the Chief Executive. The pay of other key management personnel is also set by this group, along with the Chief Executive. These are benchmarked against regional hospices and reviewed annually.

Objectives and Activities

The objectives of the charity are:

- a) to maintain and conduct a specialist palliative care service which provides relief for those who are suffering from a life limiting illness, their families, and significant carers.
- b) supplementary to providing for the relief of sickness, the hospice will promote and assist in the teaching and training of doctors, nurses, physiotherapists, and other persons engaged in any branch of medicine, surgery, nursing, or allied services.
- c) the organisation will promote or conduct research into the care and treatment of persons suffering from a life limiting illness, disability, disease or infirmity, and in particular into the care and treatment of persons from cancer and terminal illnesses and to disseminate the results thereof to the public.
- d) the organisation will engage in such activities as to raise sufficient funds which will enable it to achieve the charity's objectives and provide care and treatment of persons suffering from a life limiting illness, disability, disease, or infirmity.

Public Benefit

The Trustees have reviewed the current activities of the charity and confirm they are in line with its objectives. All the activities of the organisation carried out during 2021-22 are in pursuance of the charity's objectives and considered to be for the public benefit. All services provided are free to all beneficiaries irrespective of capacity, ethnicity, faith, religious conviction, sexual orientation, or social economic environment. The Trustees also confirm that the organisation's aims and objectives fall within the descriptions of purposes in the Charities Act 2011 and are recognised as charitable and are carried out for the public benefit.

Serious Incidents

There have been no serious incidents during 2021-22.

Workforce

Staff Engagement

Keeping all staff and volunteers up to date with organisational developments remained key. An update was delivered to staff via Microsoft Teams and we hope to bring back in person updates in 2022. 'Executive Leadership Team on Tour' sessions were also held in smaller groups to allow staff to ask questions.

A survey of our clinical staff in February was undertaken to explore skill mix/shift preferences and to assess current engagement levels. Overall staff scored their employee happiness as 83% with many staff stating they, '...love their job, the hospice, feel privileged to work for the organisation and provide the care we do.' 88% of staff felt they had someone at work they could trust, confide in and share thoughts with, and many employees said they felt supported in this way by several colleagues.

Covid-19

Compliance with Covid-19 regulations published by the Government and Public Health England remained essential for much of the year and documents were created for staff to make it clear what was expected of them and how to be as safe as possible.

Staff and Volunteers

The continual support and development of our workforce both paid and voluntary is vitally important to us as without their dedication and hard work, in all roles, we would not be able to care for our patients. To them we remain incredibly grateful especially as it has been a very difficult few years. In 2021-22 Dove House employed more than **297 people, the equivalent of 225 full-time staff, across more than 40 sites.** This compares with 298 employed staff and 230 equivalent full-time staff in the previous year.

We are also very lucky to be supported by over 1000 volunteers who generously give their time at the hospice, in our shops and by fundraising in their local communities. Around 80% of our volunteers help in our shops and provide enormous added benefit to the hospice and the people we help. Ensuring our volunteers feel appreciated and are thanked for their hard work is very important to us however, due to Covid, we were unable to hold our annual 'Volunteer Celebration Evening'.

Kick Start

The Kickstart scheme gave us access to a £2 billion fund designed to help employers create hundreds of thousands of high-quality 6-month work placements for young people. We recruited a total of 32 placements who were aged between 16 – 25 and claimants of Universal Credit. Grants of £1500 per placement enabled us to develop employability training including a CV building workshop.



Learning and Development

Learning and development at the hospice is split into two areas, essential education which is required to keep us compliant with the CQC and non-essential education which is done to help staff develop and improve. As of 31st March 2022, 81% of clinical employees had completed their 'Essential Education'. In total 62 clinical training days were completed virtually and 6 days of in person practical training. This relates to 62 clinical staff.

In October 2021, key staff were identified to complete Level 3 Safeguarding Adults and Children training. In addition, the hospice Designated Safeguarding Lead has attended a Level 4 Advanced Safeguarding learning event.

The focus for the last two years has been on ensuring the essential education is kept up to date despite the pandemic. It is hoped that more non-essential training will resume in 2022.

Delivering Training

As well as delivering training internally for staff, our People and Development Team also deliver training externally. In September 2021, funding was secured to develop and deliver a bespoke dementia network to Hull University Teaching Hospitals staff.



Virtual Learning Events were also delivered on topics such as Supporting Adults and Children through Loss and Bereavement and Palliative and End of Life Care. Participants comprised of primary schools, the local authority, and other health care settings. Evaluations from the learning were extremely positive with many delegates returning as customers.

A Virtual Hospice School in the summer allowed participants the opportunity to develop essential care and communication skills that are transferable to any healthcare setting and also delivered a programme of education to St Mary's Health and Social Care Academy.

We provided free training and support via our ECHO Project by developing communities of practice between the hospice and a number of care homes on a range of topics including the use of PPE. This work has been so successful that our ECHO team were invited to present our ECHO hub at a national Hospice UK event promoting the impact of ECHO covering the Humber Coast and Vale area.

Reviews

A review of the hospice employee pension scheme took place in June to ensure the scheme was still the best fit and performed well for staff. Following the review, and in discussions with the Board of Trustees, it was decided to remain with Scottish Widows as this provided a solid return on investment.

The hospice must report annually on the gender pay gap. On 5th April 2021, results showed that women were earning 97p for every £1 that men were earning when comparing median hourly pay. The median hourly pay for women was found to be 3.1% lower than men. The Office for National Statistics reported the average gap among full-time employees in the UK for 2021 was 7.9% so we are pleased to see we are performing much better than this average.

We also reviewed the terms and conditions of some of our nursing roles to make us align closer with other statutory organisations. This work was undertaken to ensure we remain competitive with recruitment and that we are offering our workforce a good deal.



**"Everyone a teacher,
everyone a learner"**

Financial Review

Regulations and Accounting Standards

1. Financial Regulations

The financial statements have been prepared in accordance with all major requirements of the Statement of Recommended Practice (SORP FRS102) "Accounting and Reporting by Charities" issued in October 2019 and applicable accounting standards.

2. Financial Results

A summary of the financial activities for the year ending 31 March 2022, provided in fuller detail with comparative results on page 32, is as follows:

3. Taxation

Dove House Hospice Limited is a UK registered charity. All the £10,886,934 income is applied to its charitable objectives and the charitable company is therefore exempt under current legislation from most forms of taxation. A proportion of value added tax is recoverable by the charity and is therefore credited to the statement of financial activities or balance sheet as received. Reclaimable tax credits on legacy income and dividends are accounted for on an accrual basis.

4. Goodwill

Goodwill, being the amount paid in connection with the acquisition of a business in 2019, is being amortised evenly over its estimated useful life of five years.

5. Fixed Assets and Depreciation

Expenditure on tangible items of an enduring nature is capitalised and depreciated in accordance with normal accounting principles.

The rates generally applicable are:

Freehold property	2%
Motor vehicles	25%
Plant and equipment	20%
Hi-tech equipment (medical)	25%
Fixtures and fittings	10%
Leasehold improvements	over period of lease

6. Financial Commitments

The Trustees confirm that the charity's current funds as outlined in the balance sheet and the new budget for 2022-2023 can meet obligations around the financial commitments of that year and meet the direct and indirect costs of providing a specialist palliative care service to the local community.

Financial Results Table (see No. 2)

	2021/22	2020/21
Incoming Resources	£10,886,934	£11,300,549
Resources Expended	£9,703,048	£9,237,450
Gain on Investments	£14,937	£63,706
Net Surplus	£1,198,823	£2,126,805
Total income of £10,886,934 was generated from the following sources:		
Donations/Gifts	£478,630	£476,934
Legacies	£926,426	£1,289,309
Donations Retail	£811,476	£390,046
Other Donations /Legacies	£154,710	£0
Charitable Activities	£1,556,545	£2,861,135
Activity for Generating Funds	£6,926,730	£6,268,504
Investments	£22,417	£14,621
Other Income	£10,000	£0
Charitable Expenditure amounted to £9,703,048 comprising the following:		
Charitable Activities	£3,953,970	£3,955,467
Cost of Generating Funds	£5,749,078	£5,281,983



Reserves Policy

It is the charity's stated policy to retain sufficient funds to cover fluctuations in income, current liabilities and unplanned expenditure in line with the forecasted needs of the organisation.

The most significant risk to the financial sustainability of the charity is the over reliance on internal fundraising, given the relatively low levels of statutory funding. The volatility that exists within our conventional fundraising is an ongoing risk that is assessed by the Audit Committee and the Trustees on an annual basis.

Included within the reserves policy section of the TAR entities are required to disclose the level of total funds and restricted funds held at the year end (plus comparatives)

Therefore, Trustees have reviewed the charity's need for reserves in line with the guidance issued by the Charity Commission taking account of the following:

- Volatility and unforeseen reduction in income levels
- Unexpected material levels of expenditure
- Capital commitments
- Long term viability of the charity

Total funds available at the year end are £18,477,813 (2021: £17,278,990), of which £11,139,543 are unrestricted (2021: £11,059,710), £3,200,000 are designated (2021: £2,000,000), £4,109,235 are held for restricted purposes (2021: £4,205,045) and there are endowment funds of £29,035 (2021: £14,235).

Free Reserves

The Trustees have set a level to achieve 6 months operational running costs in reserve, which currently equates to £4.3 million. The Charity had free reserves, defined as unrestricted funds excluding any designated funds or tangible fixed assets of £4,330,812 (2021: £4,105,044).

Designated Funds

The charity can designate funds for specific purposes. Trustees review the need for designated funds on an annual basis taking into account current operational and future plans. The Trustees have one designated fund:

- **Reconfiguration of the existing hospice site**

At present there are only 5 single rooms which is a major barrier to referrals to the current 21-bed inpatient unit. Most of the other clinical services are either disconnected or isolated on the first floor making access difficult. Adaptations over the years have created a deep building layout, limiting natural daylight, desirable views or access to outside spaces. There is also limited scope to develop new and existing services.

Financial Report

This was always going to be an uncertain year for the organisation as we moved away from a reliance on covid support grants back to the traditional levels of fundraising and commercial activities. In some respects, the earlier lockdown periods in the previous year had prepared us well, so as the latest lockdown period ended on the 12 April 2021, we had shops open and trading at 9am the same day. This epitomised our fundraising response across all areas and the staff should be congratulated for their efforts and performance which improved markedly throughout the year. In terms of our overall funding, we have seen figures either consistent with or well above pre covid levels with the exception of some of our mass participation events where numbers and support was understandably down.

Our core services remained open and accessible although because of the restrictions still in place for healthcare settings, some of our group and drop-in services were closed. This meant we underspent in some areas but some of this was offset with the spike in energy costs and the general inflationary pressures. However, our prudent approach to budgeting which includes no allowance for legacy income in our projections, has again allowed us to use legacy income for any under performance, capital projects and to build reserves. So, at the end of the year we managed to achieve a total surplus of £1,198,823.

Legacy Support

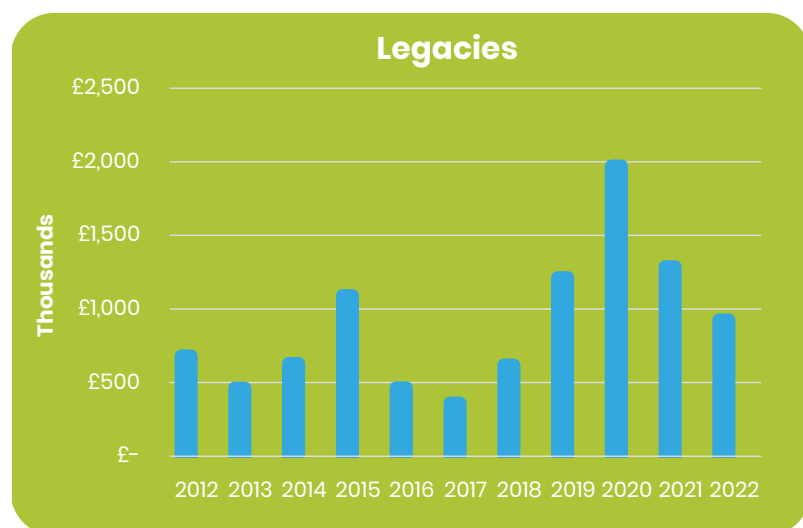
Legacy income for the year totalled £926,426 which is significantly less than in the previous year (£1,289,309) but nevertheless material funds that will help support our future capital investment of funding going forward and so we will continue to look at reliable recurring funds to meet our recurring operational expenditure.

Covid-19 Government Support Schemes

The furlough scheme set up by the government to support employers through the covid crisis tapered off and came to an end in September 2021, although we still received over £68,000 in this financial year. As we came out of the lockdown period in April we also received just over £108,000, which was part of the mainstream retail grants scheme. During the winter months there was a further spike in covid infection rates and given the additional pressures on services the government introduced another phase of ring-fenced funding for the hospice sector. This was linked to activity levels from December 2021 through to March 2022 for inpatients and community contacts. We received in excess of £135,000 from this new phase of funding which came to an end in March 2022. The commitment from the Board of Trustees remains in place as a strategic objective to balance the books without any reliance on legacy income. It is clear that the volatility in legacy income shown in the graph below would not provide a consistent and sustainable source.

Your Charity Lottery

The Lottery has finished the year 20% above our target projections and has recovered membership back to pre-covid levels, which now stands at 20,300. We have also managed to reduce costs, as the level of recruitment was not as high as in previous years despite the inflow of members mentioned above. Nevertheless, the climate for canvassing and recruitment of new members remains challenging, with costs for using outside agencies significantly higher than in previous years. Throughout this year we have increased our beneficiary schemes as we continue to provide lottery services to a number of charities up and down the country.



Retail

All our shops reopened on the 12 April 2021 following the lockdown period which started in January 2021. Throughout the year we continued to suffer from the effects of the covid crisis with staffing a major concern, many shops having to close for short periods as we managed a challenging environment. This was compounded by a shortage of volunteers as we struggled to regain the levels we had pre pandemic. However, despite all the uncertainty and the ongoing issues with staffing and shop closures this has been our most successful trading year.

Over the year we have made rapid improvements across a number of areas, with an approach the head of retail termed 'working smarter not harder'. We looked at efficiency as a key driver, so any changes had to have a positive impact on both finances and performance. There was also a major focus on gift aid as this was hovering at around 16% and had been consistently low for a number of years. Throughout the second half of the year this concerted effort saw average levels of gift aid in excess of 30% with target levels set for the new financial year at 35%. Given the ongoing energy and inflationary pressures, we also undertook a price comparison survey with other charity shops throughout the area, to see if we could increase prices but remain competitive on the high street. Our prices have never been adjusted and have always remained within a set level for key product lines which managers had to adhere to. Our pilot project included the 3 clearance shops and it soon became obvious that despite the uplift, this had no detrimental impact on transactions levels across the shops involved. New pricing structures were rolled out in February across the division and the uplift on levels of gross income across all shops has been very positive. The full effects of these changes will hopefully be reflected in income levels in the new financial year.

Fundraising and Voluntary Income

Fundraising has had a remarkable year, raising nett funds well in excess of our target projections, with an over performance of 63%. Levels from Community, Corporate and Individual support remained consistently high throughout, and it was reassuring to see that Gift Aid on monetary donations was more than double what it was a couple of years ago. Community support through our planned direct 'mailing appeals' and 'asks' produced excellent returns, as did the support from people raising funds through sponsored individual challenges. A major factor within this success was the work we have done with schools

through sponsored events across the year. The mix of creating fun and exciting challenges for the children through themed events and outdoor exercise, whilst raising money for the hospice has developed and grown well above our expectations. In particular the Easter Bunny Run and the Christmas Rudolph Run both proved really popular with early years settings and primary schools. In terms of our voluntary income which includes unsolicited donations and gifts, this was on par with the previous year, which is pleasing given the impact the covid pandemic has had on the patients and families accessing our services.

The one area of fundraising that has suffered the most over the past year is our programme of events. Clearly it has been a tough couple of years for the team with a number of events cancelled or deferred, with legislation or spikes in infection rates often making it impossible to deliver these mass participation events. So, whilst there have been a number of excellent events, the ongoing uncertainty and disruption throughout the pandemic has had a major impact on those attending and the obvious consequences to the financial performance. However, in the latter part of the year things had started to improve and so we are hopeful that things may get back to some sort of normality in the new financial year.

Statutory Funding

Funding through our statutory grants is broadly as forecast with our allocation from City Health Care Partnership (CHCP) on behalf of Hull Clinical Commissioning Group at £816,000 and East Riding Clinical Commissioning Group at £179,000. This included small uplifts from the previous year of around 1%, which given the prevailing levels of inflation, further eroded the value of the grant and the overall levels of statutory funding in comparison to our operational expenditure. We also received an additional one off £200,000 payment from East Riding CCG in February 2022 to help us with covid pressures. Our levels of recurring statutory funding as a percentage of total expenditure is now just above 10%, in contrast to the national picture which stands at approximately 35%.



Dove House Trading

The pandemic had a major influence on the performance of the trading subsidiary with income from the nursery project down due to restrictions and spikes in infection rates, compounded by additional costs on staffing to cover sickness and periods of isolation. However, enrollment figures across both sites were very strong and as people started to return to work the demand picked up in the latter part of the year. We also appointed a new manager and deputy manager at the Ainthorpe site, releasing the current head of the Nursery Operations Manager to concentrate on driving the business forward. We expect to return to something like pre-covid levels of profit in the new financial year.

Humber Wood is now consistently in the black and although we only made a small profit in the year this is a significant improvement from the loss we recorded in the last full trading year ending March 2020. So, we have made considerable progress although there is still work to do on the income and expenditure side to justify the commitment and work involved.

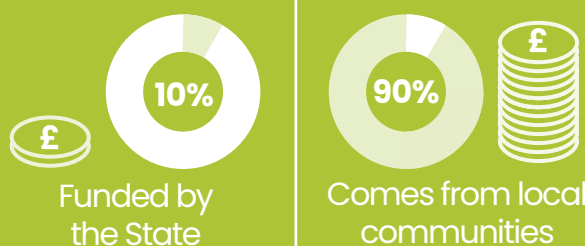
As the 2021-2022 financial year progressed we felt we were increasingly able to leave the repercussions of Covid 19 behind us and get back to 'normality' across our income generation departments.

Charitable Activities

Although most of our fundraising areas started to get back to some sort of normality, this could not be said for some of our charitable activities and services. The restrictions imposed on healthcare settings remained in place throughout most of the year and so some of our drop-in services and group sessions remained closed. This reduced slightly our overall costs on charitable activities although we expect at some point in the new financial these will come back online as we transition back to our full-service provision. Our critical core services which include the inpatient unit and our bereavement support service remained open and accessible throughout the year and in the last 3 months we started to increase the capacity as infection rates dropped and restrictions lifted.

However, in the last quarter of the year costs within our support areas increased rapidly, as the global issues with energy and spiralling inflationary pressures started to feed through with higher prices. In particular our electricity costs for the hospice site increased by around £10,000 per month but in terms of gas we have some stability as our current contract does not expire until November 2023. Insurance costs also increased during the year although we are confident of reducing this in the next financial year as we look to put this out to tender. Given all the uncertainty we expect significant cost pressures over the next 12 months, although we will do all we can to mitigate these going forward.

Dove House funding



On average hospice's nationally receive **34%** funding from the state



Director's Report Income Generation

Retail Division

In our retail division the shops were able to reopen their doors after the last closure on 12th April and although it took the division a few months to get up to full speed, the staff and volunteers did a wonderful job and the net contribution from retail was **more than we have raised in any previous year since we opened our first shop in the late 1980's**. This was despite workforce challenges as many volunteers chose not to return to their roles and we saw the end of the Kickstart placements towards the end of the year. On top of that we had an increased level of staff sickness and periods of isolation so we are incredibly proud of what we were able to achieve.

During the beginning part of the year we were also still having to take extra precautions to keep our staff and volunteers safe from Covid. Screens were used at the tills, hand gel offered on entering the shops and capacity was limited. We also took the changing rooms out of action with many shops using this extra space to store donations which were plentiful.

Towards the end of 2021 we made a joint bid to fund our Re-Use Electrical Shop having previously been awarded a grant to get the shop up and running before the lockdowns began. The shop opened in July 2020 and in partnership with Hull City Council, East Riding Council and FCC Environment who are contracted to run the local recycling centres. We were lucky to once again receive funding cover the running costs from the Distributor Takeback Scheme (DTS) Fund.

This sister shop to our Re-Use Shop at Humberfield Household Waste Recycling Centre collects large domestic appliances from the recycling centres which have life left in them, runs PAT and function tests, and cleans them up for resale. This has enormous environmental benefits

as well as benefits for the hospice. The new grant has allowed us to continue to develop the shop, raise additional money and has allowed us to train staff to repair electrical items too thus increasing what we are able to sell.

At the start of 2022, a review of our pricing structure took place and following a pilot programme this was rolled out across all shops to bring us in line with other similar charity retailers. This had an immediate positive influence on our earnings, and we saw an uplift within the first month with little effect on the number of items sold. Another piece of work we are particularly proud of which took place in 2021-22 was a drive to increase the amount of Gift Aid we raise from the retail division. A new till system meant we were able to claim Gift Aid on rags for the first time and extra training, support and reporting changes for our shop staff and volunteers meant they were confident to ask donors about signing up for Gift Aid in a consistent manner which has seen our conversion rates rise from around **16% to over 30%!**

In February 2022 we relocated our Goole Shop into a much larger unit in the town centre. With 87% more sales space the shop took an amazing £2600 on its first day and continues to perform well. This is a shared shop which is operated between Dove House and Lindsey Lodge Hospice so both hospices are greatly benefitting from this move. Relocating this shop to a bigger unit was part of our corporate objectives to take advantage of the current rental marketplace which has allowed us to move to larger units in busy areas on favourable terms. This strategy will continue to be pursued as we move into 2022-23.



**SUMMER
MEMORIES**



Little Owls
Day Nursery

Fundraising and Events

Although the pandemic continued to impact on our fundraising efforts throughout 2021-22, our fundraising and events teams worked hard to deliver activities which met with guidelines and the needs of donors. This meant we were able to bring back some face-to-face events / ceremonies when permitted. Sadly some events such as the traditional Open Gardens did not take place but supporters did come up with new ways to fundraise in their local areas from activities such as scarecrow and Christmas light trails.

Thankfully as the year progressed we were able to hold some mass-participation events which were very well attended. Many of these events were rolled over from the previous year when they were cancelled due to the restrictions. In May we held 'Get Caked' our outdoor muddy challenge which saw over 400 participants run 5k and tackle muddy obstacles in aid of the hospice. We held our 'Wine Dash' in June which attracted record numbers. And in September we also held our annual 'It's a Knockout' event at the hospice which raised a fantastic £21,400 and the 'Starlight Stride' returned with hundreds walking through the streets of Hull for this popular night-time event. Car Boot Sales returned to the hospice site

and despite Covid restrictions were still popular. Alongside these bigger events we had two excursions on the Northern Belle luxury train, a Skydive challenge and a Fire Walk – all showing that the community were ready to take part in fundraising events again after all of the restrictions of the year before. We also benefitted from externally organised events such as a ball organised by local legal firm Pepperells.

As reported last year we had seen a tremendous amount of support for our emergency appeal and we were pleased to see strong responses to the appeals we ran this year too which we were extremely grateful for. It is touching to see how many people hold the hospice close to their hearts and support us in this way and through their own individual challenges.

We also had a phenomenal amount of support from schools who took part in our Rudolph and Bunny Runs. These events are not only good for us to raise funds and awareness of our work but also benefit the children taking part in these physical fun activities as well as helping the schools teach the importance of community and supporting one another.

Finally the Fundraising Team's proactive approach to Gift Aid continued to pay dividends with over **£87k reclaimed**.

Lottery

Following a very successful year in 2020-21 we had been concerned that the lack of canvassing throughout this period would in turn impact the funds raised in this year, but we are pleased to report that income remained fairly stable. At the end of the financial year we had 20300 members in draw compared with 18763 at the end of 2021. Our beneficiary scheme, Your Charity Lottery, also continued to recruit new charities with Fitmums and Friends and the Mama Academy amongst those who joined the scheme in 2021.

Trading Company

The businesses within our Trading Company suffered like most mainstream businesses did during 2021-22 as the Government grants dried up and businesses were expected to be back to normal despite still operating in very unusual times. This was especially the case for our two nursery schools, Little Owls, who had to transition from operating in bubbles and in full PPE to pre-Covid ways of working. This inevitably had a negative impact on the profit Little Owls was able to generate during the year although profit was far closer to pre-pandemic levels towards the end of the financial year.

Our Ainthorpe nursery site received an OFSTED visit in July and was rated Good in all areas. The report praised the staff commenting how well they support the children to feel safe and secure and how they prioritise their wellbeing. Although it was hoped to open a third nursery site in 2021-22 this proved impossible as the Nursery Operations Manager was often needed to work within numbers on both sites due to high levels of sickness caused by the pandemic. It is hoped a new site can be identified in 2022-23.

Our approach to the buying and selling of new goods which falls under the Trading Company also changed during 2021-22. With the shipping industry seeing long delays and import charges rising, importing goods to sell became increasingly difficult. Instead we focused on buying end of line stock or pallets of mixed stock from a range of traders and popped up areas featuring this stock in the most suitable shops. This was a big change to how we worked before when a calendar was drawn up for all shops and the same stock was featured across the whole division.

Dulcies café reopened on 27th May at a reduced capacity in line with regulations. Income from the café remains steady and there are plans to promote the café more in 2022-23 when we can welcome more people back onto the site.

Finally our wood shop, Humber Wood Recycling Project, moved into profit this year following a couple of hard years for the enterprise. The shop is now selling online on Etsy to widen its customer base and we predict will see this side of the business grow into 2022-23.



Fundraising Good Practice

To ensure our fundraising is safe and legal we strictly adhere to the law; namely the Charities Act 2011 and The Gambling Act 2005 and are regulated by the Fundraising Regulator and abide to the regulator's Code of Fundraising Practice. We are licensed and regulated by the Gambling Commission and abide to the license conditions and code of practice. We also have procedures in place to protect those in vulnerable circumstances such as children and the elderly. Staff and volunteers are trained in recognising the signs that someone is vulnerable and if a vulnerability is suspected, all fundraising is ceased and a record of this is kept. Other measures include limits to certain fundraising activity such as only allowing five entries to the hospice lottery.

The majority of our fundraising is done by supporters with guidance from staff which we employ in a range of roles including Fundraisers, Canvassers (who recruit lottery supporters door to door, at events and over the telephone) and Administration Support. We also engage professional fundraisers to assist with our lottery canvassing and these contracts are reviewed on an annual basis. Those raising funds on our behalf are supported by the Fundraising Team who ensure their fundraising meets the relevant standards; guides on how to fundraise in line with the law and codes of practice are also available on the hospice website.

During 2021-22 we received four complaints about our fundraising practice. Upon investigation, one of the complaints was found to have breached the standards we expect regarding pressurised selling. This was addressed with the individual concerned to ensure it would not be repeated. The other three complaints were also investigated and although we found no fundraising standards to have been broken, the high level of customer service we expect of our staff was lacking and we have also addressed this with the individuals concerned.

Plans for the Future

As we move into 2022–23 our focus has shifted from one of recovery following the pandemic to one of development. We have many priorities for improvement in our sights including those listed below:

Widen our Reach

Caring for More Patients

Our main goal in 2022–23 is to increase our capacity to care for patients. Having had our beds reduced during the pandemic, we are aiming to have all beds back open once the restrictions lift so we can see more patients and their families. It is also our intention to use our Amy Johnson Community Hub (AJCH) to offer Specialist Palliative Care Days, Information Sessions for patients and families, Therapy Sessions, and Social Sessions during 2022–23. We will be introducing Bereavement Cafes, Carers groups and a Wellbeing Group for patients in early autumn 2022 too.

We are committed to improving our visible presence in the region so that people are aware of our services and can refer and access them at the right time. We are particularly focusing on forming links with hard-to-reach groups and are developing networks between the hospice and local groups.

Much of this work is being shaped by the results of the Stakeholder Analysis work that began in 2021 and will be completed during 2022. We are also planning on using these results to develop an awareness campaign about our services for the general public and more targeted campaigns for medical professionals on how they can refer to us.

Equality and Diversity

At Dove House we are committed to advancing equality and opportunity in every area of our work, including care, recruitment, volunteering and governance. In 2022/23 members of the Executive Leadership Team will be working on a project to further ensure the hospice is open and fair to anyone with a recognised and legally protected characteristic.

Patient and Carer Feedback

We are planning an overhaul of how we gather and reflect on patient and carer feedback. Although we have mechanisms already in place to capture feedback we feel many improvements can be made in this area to capture what users of our service have to say in a range of ways, and at any time. We recognise it is only by hearing when things haven't gone as well as they could that we are able to learn and develop, so this piece of work is vitally important to us and is one of our priorities for 2022–23.

Improving our facilities

Updating the Nurse Call System

In the summer of 2022 we will install a new modern aid call system which is flexible, mobile and can meet the ever-changing priorities and demands on our Inpatient Unit. This will help us to adapt to meet increasing complexities and dependencies from our patients. The functionality will also provide additional benefits so we can set reminders and incorporate more detailed information to support the clinical teams. Ultimately we expect the new system to maximise staff efficiency and improve the overall quality of the care we provide.

Workforce Development

Virtual Hospice School

We plan to deliver this in person during the summer of 2022, allowing participants the opportunity to develop essential care and communication skills that are transferable to any health and care environment.

Digital work experience and clinical placements

Building on a programme delivered to St Mary's Health and Social Care Academy in early 2021, we are piloting digital work experience and clinical placement opportunities, for both college and pre-registration non-medical learners next year.

Staff Intranet Development

During 2022–23 we will develop the pages and use of the hospice intranet site to increase effectiveness and encourage collaboration, whilst reducing the need to print. The site will provide access for staff to online forms and dedicated pensions and wellbeing pages. To support them in role, a separate section will host useful online resources for managers.

Volunteering

We will also create a 2 year plan for the hospice's volunteering programme and the staffing requirements to achieve this. The plan will focus equally on recruitment and retention of volunteers across the hospice. Develop and deliver a training programme for volunteer managers/supervisors via our VLE platform. This will focus on all aspects of the volunteer journey, including exploring the impact motivation has on volunteer experience and retention.

Income Generation

Following on from two years of upheaval and uncertainty it is wonderful to once again be making plans to develop and expand our income generation activity rather than focus on recovery. We are in the process of relocating two of our shops to larger, more prominent units. Our shop within the North Point Shopping Centre is moving to a larger unit just outside of the main centre in between Wilko and Home Bargains and our two shops on Dyer Lane in Beverley will be combining into one larger shop on Toll Gavel opposite Carluccio's. These two moves follow on from the relocation of our Goole Shop into the Town Centre which proved very successful. We will also be doubling the size of our shop on Orchard Park as we have taken on the unit next door and will knock through to make one larger shop.

Our retail division will also expand its online retail presence having invested in more staff to increase the number of items for sale online as we are seeing much growth in this area.

Along with this retail expansion, it is our intention to continue to develop and expand our fundraising, lottery and event portfolios to help meet the rising costs that are predicted through 2022-23 due to the cost of living increasing. However, we will also begin to put plans in place for a capital appeal to fund the site redevelopment. As our hospice will continue to run whilst the redevelopment is underway, we must be careful that any capital appeal fundraising does not detract from the funds needed to cover yearly running costs and so this must be carefully planned.

Hospice Site Redevelopment

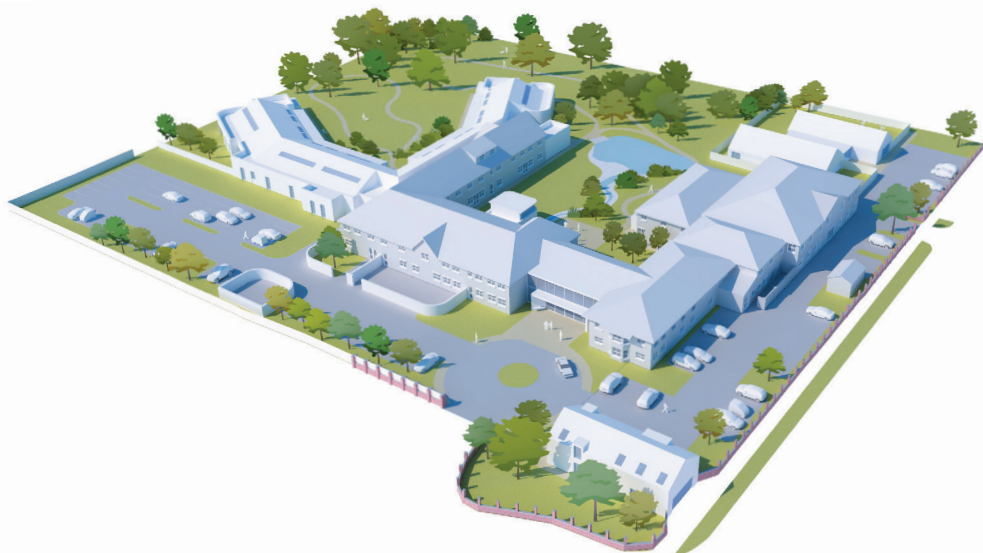
We are working with architects to draw up plans to redevelop the hospice site. Our current hospice facility was built over 30 years ago and although we have extended and made a number of adaptations over the years, the building is no longer able to meet the needs of our patients and their families.

In the coming years, more people are set to need hospice care than are currently accessing our services and so we must put plans in place now to meet that demand as best we can. We have a desperate need for single occupancy rooms as at present all but 5 of our beds are in multiple occupancy rooms. This presents a barrier to admissions and so the plans include 18 light and airy single rooms, each with ensuite facilities and access onto beautiful, landscaped gardens. All the rooms will be dementia friendly and patient visitors will have a place to stay near their loved ones as well as access to quiet areas to spend time and feel at home.

The planned reconfiguration will also mean that all the care services, which are currently dotted around the large site, are brought together for ease of access. A large open reception will welcome visitors and will feature a public café which has direct access to some of the beautiful grounds.

The building and landscape will be sustainable in the widest sense – incorporating flexibility and room for expansion, environmental sustainability and low future maintenance.

These plans are currently at an early stage with a consultation period with patients, staff, volunteers, neighbours, funders and local healthcare professionals planned for summer/autumn 2022. Although we have already started to designate funds towards this capital work, much more work is needed to raise the funds necessary to undertake such a large project and building work would not begin until this money has been secured.



Independent Auditor's Report

To the Members of Dove House Hospice Limited

Opinion

We have audited the financial statements of Dove House Hospice Limited (the 'parent charitable company') and its subsidiary (the 'group') for the year ended 31 March 2022 which comprise the consolidated statement of financial activities, the consolidated balance sheet, the charitable company balance sheet, the consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 2022 and of the groups income resources and application of resources, including its income and expenditure for the year 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 about the group or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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 trustee's report (incorporating the strategic report and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic and the Directors' report. We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement as set out on page 14, the trustees (who are also the trustees of the parent 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 preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of

accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the group and parent charitable company through discussions with management and trustees, and from our knowledge and experience of this organisation;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the group and parent charitable company, including the Charities Act 2011, the Companies Act 2006, data protection, health and safety legislation, the Gambling Act 2005, CQC regulations, Ofsted and employment law;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and trustees;
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit of the group and parent charitable company.

We assessed the susceptibility of the group and parent charity's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by;

- making enquiries of management and trustees as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risks of fraud through management bias and override controls, we:

- performed analytical procedures to identify any unusual or unexpected variances;
- tested journal entries to identify unusual transactions;
- assessed whether judgments and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims.

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

<https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>

This description forms part of our auditor's report.

Use of our report

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

Jane Marshall (Senior statutory auditor) for and on behalf of BHP LLP
Statutory Auditor, Rievaulx House
1 St Mary's Court, York, YO24 1AH

Financial Accounts

Consolidated Statement of Financial Activities

(incorporating an Income and Expenditure Account) for the year ended 31 March 2022

		Unrestricted	Restricted	Endowment	Total	As restated
		funds	funds	funds	funds	Total
		2022	2022	2022	2022	2021
Note		£	£	£	£	£
Income from:						
Donations and legacies:	3					
Donations & gifts		320,808	157,822	-	478,630	476,934
Legacies		926,426	-	-	926,426	1,289,309
Donations - Retail		811,476	-	-	811,476	390,046
Other donations and legacies		154,710	-	-	154,710	-
Charitable activities	4	1,421,332	135,213	-	1,556,545	2,861,135
Activities for generating funds	6	6,926,730	-	-	6,926,730	6,268,504
Investments		22,417	-	-	22,417	14,621
Other income	8	10,000	-	-	10,000	-
Total incoming resources		10,593,899	293,035	-	10,886,934	11,300,549
Expenditure on:						
Raising funds:	9					
Donations and gifts		17	77,912	-	77,929	210,960
Trading costs Charitable activities	10	5,671,149	-	-	5,671,149	5,071,023
		3,643,037	310,933	-	3,953,970	3,955,467
Total expenditure		9,314,203	388,845	-	9,703,048	9,237,450
Net income before net gains on investments		1,279,696	(95,810)	-	1,183,886	2,063,099
Net gains on investments		12,630	-	2,307	14,937	63,706
Net income/ (expenditure)		1,292,326	(95,810)	2,307	1,198,823	2,126,805

Consolidated Statement of Financial Activities

(incorporating an Income and Expenditure Account) for the year ended 31 March 2022

		Unrestricted	Restricted	Endowment	Total	As restated
		funds	funds	funds	funds	Total
		2022	2022	2022	2022	2021
Note		£	£	£	£	£
Transfers between funds	23	(12,493)	-	12,493	-	-
Net movement in funds		1,279,833	(95,810)	14,800	1,198,823	2,126,805
Reconciliation of funds:						
Total funds brought forward as previously stated		13,137,147	4,205,045	14,235	17,356,427	15,205,455
Prior year adjustment		(77,437)	-	-	(77,437)	(53,270)
Total funds brought forward as restated		13,059,710	4,205,045	14,235	17,278,990	15,152,185
Net movement in funds		1,279,833	(95,810)	14,800	1,198,823	2,126,805
Total funds carried forward		14,339,543	4,109,235	29,035	18,477,813	17,278,990

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



Consolidated Balance Sheet

at 31 March 2022

			2022	As restated 2021
	Note		£	£
Fixed assets				
Intangible assets	16		31,667	51,667
Tangible assets	17		10,730,335	10,970,314
Investments			277,249	223,315
			<u>11,039,251</u>	<u>11,245,296</u>
Current assets				
Stocks	19	75,246	97,405	
Debtors	20	828,526	784,979	
Cash at bank and in hand		7,407,795	5,821,375	
		<u>8,311,567</u>	<u>6,703,759</u>	
Creditors: amounts falling due within one year	21	(869,700)	(656,941)	
		<u>7,441,867</u>	<u>6,046,818</u>	
Net current assets				
			<u>18,481,118</u>	<u>17,292,114</u>
Total assets less current liabilities				
Provisions for liabilities			(3,305)	(13,124)
			<u>18,477,813</u>	<u>17,278,990</u>
Total net assets				
			<u>18,477,813</u>	<u>17,278,990</u>
			2022	As restated 2021
	Note		£	£
Charity funds				
Endowment funds	23	29,035	14,235	
Restricted funds	23	4,109,235	4,205,045	
Unrestricted funds				
Designated funds	23	3,200,000	2,000,000	
General funds	23	11,009,822	11,059,710	
Revaluation reserve	23	129,721	-	
		<u>14,339,543</u>	<u>13,059,710</u>	
Total unrestricted funds	23			
			<u>18,477,813</u>	<u>17,278,990</u>
Total funds				
			<u>18,477,813</u>	<u>17,278,990</u>

Consolidated Balance Sheet

at 31 March 2022

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Philip Daniels

Date:

The notes on pages 39 to 71 form part of these financial statements.



Charitable Company Balance Sheet

at 31 March 2022

		2022	As restated 2021
	Note	£	£
Fixed assets			
Tangible assets	17	10,675,353	10,877,106
Investments	18	277,250	223,316
		<u>10,952,603</u>	<u>11,100,422</u>
Current assets			
Stocks	19	28,044	27,404
Debtors	20	973,586	904,446
Cash at bank and in hand		7,326,955	5,685,351
		<u>8,328,585</u>	<u>6,617,201</u>
Creditors: amounts falling due within one year	21	(803,375)	(476,859)
Net current assets		<u>7,525,210</u>	<u>6,140,342</u>
Total net assets		<u><u>18,477,813</u></u>	<u><u>17,240,764</u></u>
Charity funds			
Endowment funds	23	29,035	14,235
Restricted funds	23	4,184,536	4,205,045
Unrestricted funds			
Designated funds	23	3,200,000	2,000,000
General funds	23	11,064,242	11,021,484
		<u>14,264,242</u>	<u>13,021,484</u>
Total unrestricted funds	23	<u>14,264,242</u>	<u>13,021,484</u>
Total funds		<u><u>18,477,813</u></u>	<u><u>17,240,764</u></u>

Charitable Company Balance Sheet

at 31 March 2022

As permitted by s408 Companies Act 2006, the charitable company has not presented its own profit and loss accounts and related notes. The charitable company's net movement in funds for the year was £1,237,049 (2021 - £2,178,259).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

Philip Daniels
Date:

The notes on pages 39 to 71 form part of these financial statements.



Consolidated Cash Flow Statement

for the year ended 31 March 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash provided by operating activities	27	1,812,156	3,296,198
Cash flows from investing activities			
Interest received		41,490	14,621
Proceeds from the sale of tangible fixed assets		3,292	-
Purchase of tangible fixed assets		(212,448)	(145,073)
Purchase of investments		(58,070)	-
Net cash used in investing activities		(225,736)	(130,452)
Cash flows from financing activities			
Repayments of borrowing		-	(93,819)
Net cash provided by/(used in) financing activities		-	(93,819)
Change in cash and cash equivalents in the year		1,586,420	3,071,927
Cash and cash equivalents at the beginning of the year		5,821,375	2,749,448
Cash and cash equivalents at the end of the year	28	7,407,795	5,821,375

The notes on pages 16 to 51 form part of these financial statements

The notes on pages 39 to 71 form part of these financial statements.

1. Accounting policies

1.1 Basis of preparation of financial statements

Dove House Hospice Limited is a company limited by guarantee, established in England and Wales. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the charity. The address of the registered office is given in the administration and reference details section of the Directors' Report on page 3 of these financial statements. The nature of the charity's operations and principal activities are fully detailed in the directors' report.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland issued in October 2019, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling which is the functional currency of the charity and rounded to the nearest £.

The group financial statements consolidate the financial statements of the Charity and its subsidiary undertaking, Dove House Trading Limited, at 31 March 2022 using acquisition accounting.

The charitable company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of financial activities in these financial statements.

1.2 Prior year adjustment

In preparing the financial statements for the year ended 31 March 2022, errors were identified that were sufficient to warrant restatement. The effect and nature of the restatement are disclosed in note 22.



1. Accounting policies (continued)

1.3 *Going concern*

As part of their assessment of the going concern basis of preparation, the trustees have considered the impact of current and recent events on the group and parent charitable company's activities and workforce, as well as the wider economy and on the forecasted income for the year to 31 March 2023. They have also considered the period up to 12 months from the signing of the accounts. The trustees are confident that they have in place plans to deal with any financial losses that may arise.

At the time of approving the financial statements, the trustees have a reasonable expectation that the group and parent charitable company have adequate resources to continue in operational existence for the foreseeable future. For this reason, the trustees continue to adopt the going concern basis in preparing the financial statements.

1.4 *Income*

a) Income from donors and supporters

Cash donations and gifts are included in full in the statement of financial activities as they are received. Legacies are accounted for on an accruals basis. Cash collected at special fundraising events is included in the statement of financial activities gross. Significant non cash donations are included in the statement of financial activities at the trustees' estimate of their market value when received. The value of voluntary help is not included in the accounts.

Legacy income is generally recognised when received. However, legacies are also recognised as a debtor before receipt if there is sufficient evidence regarding:

- i) the charity's entitlement to such income,
- ii) the certainty of receipt, and
- iii) measurement at a reliable monetary value.

Legacies which the charity has been notified of but which do not yet meet the above criteria are monitored and will be recognised at such time when the criteria are met. The total of all such unrecognised items at the year end is included in the notes to the accounts.

b) Other operating income

All other income is accounted for on an accruals basis.

c) Investment income

Bank interest is included in the statement of financial activities on an accruals basis.

1. Accounting policies (continued)

1.4 *Income (continued)*

Dividends are included in the statement of financial activities when they are received, at an amount which includes the tax credit recoverable from the HM Revenue & Customs.

Grants are included in the consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

1.5 *Expenditure*

Expenditure is accounted for on an accruals basis and includes attributable VAT which cannot be recovered. When expenditure is incurred relating to more than one cost category, the expenditure is apportioned over all relevant headings. The basis of apportionment used reflects the time and resources exerted under specific headings.

a) Cost of generating funds

Cost of generating funds includes all costs relating to the raising of the charity's income.

b) Fundraising and publicity

Fundraising and publicity includes the cost of raising the charity's voluntary contributions together with raising public awareness to the charity's objectives.

c) Direct charitable activities

Direct charitable activities include the direct costs of the charitable activities and depreciation on related assets.

d) Support costs

Support costs include the direct cost of supporting the expenditure on the objects of the charity. Support costs have been apportioned on the basis of staff time working on each activity.

e) Governance

Governance includes the cost of essential central administration principally concerning the overall management of the charity's affairs, including compliance with constitutional and statutory requirements.

Notes to the Financial Statements

for the year ended 31 March 2022

1. Accounting policies (continued)

1.6 Intangible assets and amortisation

Intangible assets consist of goodwill, being the amount paid in connection with the acquisition of a business in 2019.

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Goodwill	- 5 years
----------	-----------

1.7 Tangible fixed assets and depreciation

Tangible fixed assets are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives using the straight-line method.

Depreciation is provided on the following bases:

Freehold property	- 2%
Leasehold improvements	- over period of lease
Plant and equipment	- 20-25%
Motor vehicles	- 25%
Fixtures and fittings	- 10%



1. Accounting policies (continued)

1.8 Investments

Stocks and shares quoted on a recognised stock exchange are included in the balance sheet at their mid-market value at the year end. The variances between market value and the original cost or annual revaluation of the investments are shown as unrealised investment gains or losses.

The differences between the original cost or annual valuation and the proceeds of investments disposed of are shown as a gain/(loss) in the statement of financial activities.

Investments in subsidiaries are valued at cost.

Investments held as fixed assets are shown at cost less provision for impairment.

1.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost represents that expenditure which has been incurred in the normal course of business in bringing the product or service to its present location and condition.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

Donated items of stock for resale are not included in the financial statements until they are sold as the Directors consider it impractical to assess the amount of donated stock held as there is no system in place to record these items or value them until they are sold. The value of these goods to the charity is instead recognised when they are sold in the shops.

1.10 Debtors

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

1.11 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

1. Accounting policies (continued)

1.12 Liabilities

Liabilities and provisions are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the charitable company anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.13 Deferred taxation

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Operating leases

Rentals paid under operating leases are charged to the consolidated statement of financial activities on a straight line basis over the lease term.



1. Accounting policies (continued)

1.15 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 group 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 financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charitable company 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 financial statements.

Endowment funds are held on trust to be retained for the benefit of the charity as a capital fund. The funds represent the net book value of the investments held and donated on the closure of the Sutton War Memorial fund. Income from these funds is used for the welfare of people from Sutton.

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

1.16 Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.17 Employee benefits

When employees have rendered service to the charity, short-term employee benefits to which the employees are entitled are recognised at the undiscounted amount expected to be paid in exchange for that service.

The charity operates a defined contribution plan for the benefit of its employees. Contributions are expensed as they become payable.

Termination benefits are recognised immediately as an expense when the charitable company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Notes to the Financial Statements

for the year ended 31 March 2022

2. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The charitable company makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Depreciation of tangible assets

Depreciation policies have been set according to management's experience of the useful lives and residual values of the assets in each category, something which is reviewed annually.

Legacies

Legacy income is recognised when notification has been received from the solicitors, legal entitlement to the funds has been established and sufficient information is available to allow the entitlement to be reliably estimated and measured.

3. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
General donations	233,688	154,873	388,561	387,864
Tax refunds	87,120	-	87,120	89,070
Retail gift aid scheme donations	811,476	-	811,476	390,046
Donations and gifts	-	2,949	2,949	-
Legacies	926,426	-	926,426	1,289,309
Grants	154,710	-	154,710	-
	<u>2,213,420</u>	<u>157,822</u>	<u>2,371,242</u>	<u>2,156,289</u>
Total 2021	<u>1,947,990</u>	<u>208,299</u>	<u>2,156,289</u>	

Notes to the Financial Statements

for the year ended 31 March 2022

4. Income from charitable activities

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Support for patient care	21,369	-	21,369	21,805
Grants for providing care (note 5)	1,228,902	-	1,228,902	1,020,222
COVID-19 support (note 7)	16,352	135,213	151,565	1,759,192
Training	93,446	-	93,446	21,655
Sales of goods/services	61,263	-	61,263	38,261
	<u>1,421,332</u>	<u>135,213</u>	<u>1,556,545</u>	<u>2,861,135</u>
Total 2021	<u>1,343,806</u>	<u>1,517,329</u>	<u>2,861,135</u>	

5. Grants for providing care

	2022 £	2021 £
National Health service - grants	1,205,712	994,664
National Health service - pension funding	8,071	7,936
Social Services	15,119	17,622
	<u>1,228,902</u>	<u>1,020,222</u>



Notes to the Financial Statements

for the year ended 31 March 2022

6. Income from other trading activities

Activities for generating funds

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Retail sales	3,962,388	3,962,388	1,537,195
Lottery income	1,111,607	1,111,607	1,067,182
Fundraising	800,795	800,795	1,352,736
Nursery income	802,509	802,509	684,347
Rental income	88,790	88,790	317,725
COVID-19 support (note 7)	160,641	160,641	1,309,319
	<u>6,926,730</u>	<u>6,926,730</u>	<u>6,268,504</u>
Total 2021	<u>6,268,504</u>	<u>6,268,504</u>	

7. COVID-19 support

During the year the group received £271,511 (2021: £3,068,511) of COVID-19 support. Of this, £151,565 (2021: £1,759,192) is within charitable activities income made up of staff furlough grants of £16,352 (2021: £241,863) and NHSE funding of £135,213 (2021: £1,517,329). There is £160,641 (2021: £1,309,319) within fund generating activities made up of retail grants of £108,673 (2021: £450,440) and staff furlough grants of £51,968 (2021: £858,879).

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April to July 2020, November 2020 to March 2021 and December 2021 to March 2022, to support people with complex needs in the context of the COVID-19 situation.

Notes to the Financial Statements

for the year ended 31 March 2022

8. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Insurance claim	10,000	10,000	-
Total 2021	-	-	

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations and gifts	17	77,912	77,929	210,960
Total 2021	32,581	178,379	210,960	

9. Expenditure on raising funds (continued)

Trading: costs of goods sold and other costs

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Retail	3,622,593	3,622,593	3,268,061
Lottery	609,045	609,045	584,786
Fundraising	524,224	524,224	365,138
Training	57,398	57,398	79,440
Catering	41,172	41,172	39,380
Nursery	816,717	816,717	734,218
	5,671,149	5,671,149	5,071,023
Total 2021	5,071,023	5,071,023	

Notes to the Financial Statements

for the year ended 31 March 2022

10. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Patient care	3,439,434	308,478	3,747,912	3,694,309
Day therapy	3,814	2,455	6,269	100,563
Catering	199,789	-	199,789	160,595
	<u>3,643,037</u>	<u>310,933</u>	<u>3,953,970</u>	<u>3,955,467</u>
Total 2021	<u>2,313,006</u>	<u>1,642,461</u>	<u>3,955,467</u>	

	Direct costs 2022 £	Support costs (note 11) 2022 £	Total funds 2022 £	Total funds 2021 £
Patient care	3,060,022	687,890	3,747,912	3,694,309
Day therapy	6,269	-	6,269	100,563
Catering	199,789	-	199,789	160,595
	<u>3,266,080</u>	<u>687,890</u>	<u>3,953,970</u>	<u>3,955,467</u>
Total 2021	<u>3,263,367</u>	<u>692,100</u>	<u>3,955,467</u>	

Notes to the Financial Statements

for the year ended 31 March 2022

Analysis of expenditure by activities (continued)

Analysis of direct costs

	Patient care	Day therapy	Catering	Total funds	Total funds
	2022	2022	2022	2022	2021
	£	£	£	£	£
Depreciation	335,019	3,508	-	338,527	322,728
Salaries, fees and pensions	2,301,623	-	124,797	2,426,420	2,479,347
Catering provisions	-	-	74,695	74,695	37,137
Cleaning and laundry expenses	15,492	-	-	15,492	16,541
Medical equipment and supplies	95,584	-	-	95,584	174,141
Advertising events and promotion	29,205	-	-	29,205	22,332
Sundry expenses	11,701	16	297	12,014	20,585
Motor and travel	5,865	2,745	-	8,610	8,417
Rent and rates	21,215	-	-	21,215	19,913
Light and heat	104,328	-	-	104,328	49,998
Insurance	41,024	-	-	41,024	29,608
Repairs and renewals	98,966	-	-	98,966	82,620
	3,060,022	6,269	199,789	3,266,080	3,263,367
Total 2021	3,002,209	100,563	160,595	3,263,367	



Notes to the Financial Statements

for the year ended 31 March 2022

11. Support costs

	2022	2021
	£	£
Salaries, fees and pensions	473,110	491,483
Back up services	2,537	-
Cleaning and laundry expenses	3,588	4,135
Telephone and internet	25,239	29,876
Printing, stationery and postage	14,830	4,811
Advertising, events and promotion	59,372	24,160
Sundry expenses	4,952	26,813
Motor and travel	1,985	1,666
Rent and rates	5,065	4,978
Light and heat	24,565	12,500
Insurance	6,131	21,950
Repairs and renewals	47,466	44,880
Legal and professional	1,495	2,245
Bank charges	29,923	26,871
Depreciation	16,957	32,158
	717,215	728,526



Notes to the Financial Statements

for the year ended 31 March 2022

The above costs have been allocated between expenses headings as follows:

	2022 £	2021 £
<i>Costs of generating funds</i>		
Fundraising and publicity	5,865	7,285
Retail costs	17,595	21,856
Lottery	5,865	7,285
<i>Charitable activities</i>		
Patient care	687,890	692,100
	717,215	728,526

The above allocation is based on staff time spent undertaking activities in each area.

12. Staff costs

The costs incurred by the group were as follows:

	2022 £	2021 £
Salaries and fees	5,570,968	5,549,350
National insurance costs	366,462	355,874
Pension contributions	386,273	399,993
	6,323,703	6,305,217



Staff costs (continued)

The average number of persons employed by the charitable company during the year was as follows:

	Group 2022 No.	Group 2021 No.
Medical	64	74
Admin and support	43	43
Income generation	207	192
	<u>314</u>	<u>309</u>

The average headcount expressed as full-time equivalents was:

	Group 2022 No.	Group 2021 No.
Medical	41	49
Admin and support	34	31
Income generation	163	158
	<u>238</u>	<u>238</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	-	1
In the band £80,001 - £90,000	1	1

Total remuneration for key management personnel, including employer's national insurance and employers pension contributions, is £321,208 (2021: £317,488). Amounts were also paid for services provided externally in relation to a member of key management of £117,120 (2021: £106,985).

Staff redundancy and termination payments in the year amounted to £62,519 (2021: £nil).

Notes to the Financial Statements

for the year ended 31 March 2022

13. Trustees' remuneration

The directors (trustees) were not entitled to and did not receive any remuneration from the charity during the current or previous year. No expenses were reclaimed by directors during the current or previous year.

14. Net income/(expenditure)

This is stated after charging:

	2022	2021
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	452,427	450,086
Operating lease payments - land and buildings	338,527	317,700
Auditor's remuneration - audit	17,470	14,980
Auditor's remuneration - non-audit services	4,670	1,000
	<u>813,100</u>	<u>783,766</u>

15. Material notified legacies

The charity has been notified of legacies with an estimated value totalling £499,919 (2021: £554,127) which are not recognised within the statement of financial activities, as at the balance sheet date these legacies fail to meet one or more of the recognition criteria.



Notes to the Financial Statements

for the year ended 31 March 2022

16. Intangible assets

Group

	Goodwill £
Cost	
At 1 April 2021	100,000
	<hr/>
At 31 March 2022	100,000
	<hr/>
Amortisation	
At 1 April 2021	48,333
Charge for the year	20,000
	<hr/>
At 31 March 2022	68,333
	<hr/>
Net book value	
At 31 March 2022	31,667
	<hr/> <hr/>
At 31 March 2021	51,667
	<hr/> <hr/>



Notes to the Financial Statements

for the year ended 31 March 2022

17. Tangible fixed assets

Group

	Freehold property £	Leasehold improvements £	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost						
At 1 April 2021	14,370,839	1,573,517	1,769,082	284,684	416,268	18,414,390
Additions	63,348	56,556	68,145	17,979	6,420	212,448
Disposals	-	-	-	(80,866)	-	(80,866)
At 31 March 2022	14,434,187	1,630,073	1,837,227	221,797	422,688	18,545,972
Depreciation						
At 1 April 2021 as restated	3,861,882	1,428,035	1,573,902	244,039	336,218	7,444,076
Charge for the year	281,114	59,501	69,112	16,957	25,743	452,427
On disposals	-	-	-	(80,866)	-	(80,866)
At 31 March 2022	4,142,996	1,487,536	1,643,014	180,130	361,961	7,815,637
Net book value						
At 31 March 2022	10,291,191	142,537	194,213	41,667	60,727	10,730,335
At 31 March 2021	10,508,957	145,482	195,180	40,645	80,050	10,970,314



Notes to the Financial Statements

for the year ended 31 March 2022

17. Tangible fixed assets (continued)

Company

	Freehold property £	Leasehold improvements £	Plant and equipment £	Motor vehicles £	Fixtures and fittings £	Total £
Cost						
At 1 April 2021	14,370,839	1,496,842	1,742,972	284,684	323,627	18,218,964
Additions	63,348	56,556	67,057	17,979	6,420	211,360
Disposals	-	-	-	(80,866)	-	(80,866)
At 31 March 2022	14,434,187	1,553,398	1,810,029	221,797	330,047	18,349,458
Depreciation						
At 1 April 2021	3,861,882	1,388,458	1,557,365	244,039	290,114	7,341,858
Charge for the year	281,114	44,167	64,369	16,957	6,506	413,113
On disposals	-	-	-	(80,866)	-	(80,866)
At 31 March 2022	4,142,996	1,432,625	1,621,734	180,130	296,620	7,674,105
Net book value						
At 31 March 2022	10,291,191	120,773	188,295	41,667	33,427	10,675,353
At 31 March 2021	10,508,957	108,384	185,607	40,645	33,513	10,877,106



Notes to the Financial Statements

for the year ended 31 March 2022

18. Investments

	2022	2021
	£	£
<i>Group</i>		
Listed investments	262,827	189,820
Cash or cash equivalents	14,422	33,495
	<u>277,249</u>	<u>223,315</u>

	2022	2021
	£	£
Sterling preference shares	95	95
AIM equities	2	41
European equities	195	213
North American equities	29	-
UK equities	73,962	62,280
Emerging market equities	188,544	127,191
	<u>262,827</u>	<u>189,820</u>

	Listed investments	Other fixed asset investments	Total
	£	£	£
<i>Group</i>			
<i>Cost or valuation</i>			
At 1 April 2021	189,820	33,495	223,315
Additions	58,070	-	58,070
Revaluations	14,937	-	14,937
Other movements	-	(19,073)	(19,073)
At 31 March 2022	<u>262,827</u>	<u>14,422</u>	<u>277,249</u>

Notes to the Financial Statements

for the year ended 31 March 2022

Fixed asset investments (continued)

Historical cost of listed investments as 31 March 2022 was £133,106 (2021: £133,106).

Company	Investments in subsidiary companies £	Listed investments £	Cash held in investment portfolio £	Total £
<i>Cost or valuation</i>				
At 1 April 2021	1	189,820	33,495	223,316
Additions	-	58,070	-	58,070
Revaluations	-	14,937	-	14,937
Other movements	-	-	(19,073)	(19,073)
At 31 March 2022	1	262,827	14,422	277,250

Principal subsidiaries

The following was a subsidiary undertaking of the charitable company:

Name	Company number	Class of shares	Holding	Included in consolidation
Dove House Trading Limited	03036808	Ordinary	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit for the year £	Net assets £
Dove House Trading Limited	1,155,228	(1,051,240)	103,988	1

Notes to the Financial Statements

for the year ended 31 March 2022

19. Stocks

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Purchased consumables	75,246	97,405	28,044	27,404

20. Debtors

	Group 2022 £	Group As restated 2021 £	Company 2022 £	Company As restated 2021 £
Trade debtors	86,314	118,171	63,929	91,740
Amounts owed by group undertakings	-	-	169,355	146,188
Other debtors	208,427	519,320	208,427	519,320
Prepayments and accrued income	533,785	147,488	531,875	147,198
	828,526	784,979	973,586	904,446

21. Creditors: Amounts falling due within one year

	Group 2022 £	Group As restated 2021 £	Company 2022 £	Company As restated 2021 £
Trade creditors	146,411	99,679	141,668	95,605
Amounts owed to group undertakings	-	-	-	28
Corporation tax	19,410	19,410	-	-
Other taxation and social security	90,420	91,210	85,308	78,086
Other creditors	43,695	14,005	43,695	14,005
Accruals and deferred income	569,764	432,637	532,704	289,135
	869,700	656,941	803,375	476,859

Notes to the Financial Statements

for the year ended 31 March 2022

	Group 2022 £	Group 2021 £
Deferred income at 1 April 2021	172,743	138,874
Resources deferred during the year	388,094	172,743
Amounts released from previous periods	(172,743)	(138,874)
	388,094	172,743

Deferred income carried forward relates to pre-paid lottery income and funding received from the CCG relating to services to be carried out in the 2022/23 year.

22. Prior year adjustments

During the preparation of the Dove House Trading Limited (DHTL) accounts for the year ended 31 March 2022 it was identified that the depreciation policies applied in DHTL's prior year accounts were incorrect for the nature of assets of the company. A prior year adjustment has been made to reflect a depreciation policy running over the term of the lease of the Ainthorpe Nursery, as opposed to 50 years straight line for Leasehold Improvements and 10 years straight line for Plant and Equipment.

The effect of this adjustment is that opening reserves and fixed assets of the subsidiary as at 1 April 2020 have been reduced by £33,860 in relation to additional depreciation that should have been charged prior to 1 April 2020 and the net book value of the subsidiary's fixed assets as at 31 March 2021 has been reduced by a further £24,167. Depreciation carried forward to the 2022 year has been restated to £102,218 compared to £44,191 and the net book value of DHTL's fixed assets as at 31 March 2021 has reduced from £151,235 to £93,208. As a result the subsidiary's financial statements for 2021 show a loss for the year of £2,708 compared with the previously reported profit of £21,459. There is no impact on the Charitable Company Balance Sheet or reserves as a result of this adjustment.

A prior year adjustment has also been made to the opening profit and loss reserves of Dove House Trading Limited in relation to underpayment of the gift aid covenant. The covenant relating to the 2020 year end has been reduced by £102,158 from £205,163 to £103,005. Amounts owed to the parent charitable company have been reduced by an equivalent amount. Corporation tax payable of £19,410 has been recognised using a rate of 19% in relation to this underpayment.

The gift aid covenant has been similarly reduced by £102,158 in the Charitable Company opening reserves, such that funds brought forward have been reduced from £15,164,663 to £15,062,505.

It was also identified that donations relating to the Retail Gift Aid Scheme had previously been included under Retail Sales. These have been reanalysed on the face of the Statement of Financial Activities, and related notes. The comparative figures have also been reanalysed for comparability.

Notes to the Financial Statements

for the year ended 31 March 2022

22. Prior year adjustments (continued)

The net impact on group opening reserves as a result of the adjustments above is a reduction in group funds as at 31 March 2020 of £53,270 and as at 31 March 2021 of £77,437.

23. Statement of funds

Statement of funds – current year

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Unrestricted funds						
<i>Designated funds</i>						
Designated funds	2,000,000	-	-	1,200,000	-	3,200,000
<i>General funds</i>						
General fund	11,021,484	9,438,671	(8,120,749)	(1,342,214)	12,630	11,009,822
Dove House Trading Limited	38,226	1,155,228	(1,193,454)	-	-	-
Revaluation Reserve	-	-	-	129,721	-	129,721
	11,059,710	10,593,899	(9,314,203)	(1,212,493)	12,630	11,139,543
Total Unrestricted funds	13,059,710	10,593,899	(9,314,203)	(12,493)	12,630	14,339,543



Notes to the Financial Statements

for the year ended 31 March 2022

23. Statement of funds (continued)

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
<i>Endowment funds</i>						
Sutton War Memorial	14,235	-	-	12,493	2,307	29,035
<i>Restricted funds</i>						
Dove House Property	983,173	-	(42,773)	-	-	940,400
Bedded unit	65,050	27,629	(34,242)	-	-	58,437
Accessibility quality and improvement	230,288	-	(2,746)	-	-	227,542
Day therapy (Hospice)	4,195	300	(2,455)	-	-	2,040
Breast cancer relief	7,888	-	-	-	-	7,888
Sundry small funds	38,932	35,792	(33,010)	-	-	41,714
Storr legacy	67,794	-	-	-	-	67,794
New building fund	2,777,509	-	(64,378)	-	-	2,713,131
Support line	6,142	-	-	-	-	6,142
Physiotherapy	(5,901)	-	-	-	-	(5,901)
Hospice UK/ NHSE fund	-	135,213	(135,213)	-	-	-
Echo Project	29,975	94,101	(74,028)	-	-	50,048
	4,205,045	293,035	(388,845)	-	-	4,109,235
<i>Total of funds</i>	17,278,990	10,886,934	(9,703,048)	-	14,937	18,477,813

23. Statement of funds (continued)

Designated funds

The designated fund represents amount reserved for the reconfiguration of the existing hospice site.

Endowment funds

Funds donated on the closure of the 'Sutton on Hull War Memorial Fund'. Income to be used for the welfare of people from Sutton.

Restricted funds

Dove House Property - Development of hospice and land

Bedded unit - Provision of facilities

Accessibility, quality and improvement - Redevelopment of reception and clinical outpatient rooms

Day therapy (Hospice) - Provision of day therapy facilities

Breast cancer relief - Grant funding for the treatment of breast cancer sufferers

Sundry small funds - Library, finance, maintenance and staff development

Storr legacy - Write down over life of conservatories provided

New building fund - Development of new facilities

Support line - Development of a palliative care advice line

Physiotherapy - Ongoing support for Physiotherapy and Rehabilitation services.

ECHO Project - Funding to develop communities of practice through video technology

Hospice UK/ NHSE fund - The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April to July 2020, November 2020 to March 2021 and December 2021 to March 2022, to support people with complex needs in the context of the COVID-19 situation.

Restricted funds are funds that can only be used for the particular restricted purpose within the objects of the fund, as stated above. Income may be restricted when specified by the donor or when funds are raised for a specific restricted purpose. Such income is allocated to a restricted fund.

Resources expended on the above funds represent expenditure incurred in fulfilling the specific objects of the fund. In the case of revenue expenditure this is charged to the fund as incurred. In the case of capital expenditure, the asset is capitalised as a fixed asset. The subsequent depreciation charge is then transferred to the particular restricted fund as to write off the asset over its useful economic life.

Transfers:

The transfer to endowment funds of £12,493 relates to prior year gains on investments that had been allocated to unrestricted funds such that the year end value of the fund agrees to that of the CCLA investment, being Sutton War Memorial.

The transfer to the revaluation reserve represents the difference between the market value of the investments at 31 March 2022 and their cost.

The transfer to designated funds represents amounts reserved for the reconfiguration of the existing hospice site.

23. Statement of funds (continued)

Statement of funds – prior year

	As restated Balance at 1 April 2020 £	Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 March 2021 £
Unrestricted funds						
<i>Designated funds</i>						
Designated funds	-	-	-	2,000,000	-	2,000,000
<i>General funds</i>						
General fund	10,748,013	8,628,198	(6,467,179)	(1,951,254)	63,706	11,021,484
Dove House						
Trading Limited	89,680	946,723	(949,431)	(48,746)	-	38,226
	10,837,693	9,574,921	(7,416,610)	(2,000,000)	63,706	11,059,710
<i>Total Unrestricted Funds</i>	10,837,693	9,574,921	(7,416,610)	-	63,706	13,059,710
<i>Endowment funds</i>						
Sutton War Memorial	12,551	-	-	-	-	12,551
Unrealised gain on investments	1,684	-	-	-	-	1,684
	14,235	-	-	-	-	14,235

23. Statement of funds (continued)

	As restated Balance at 1 April 2020 £	Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 March 2021 £
<i>Restricted funds</i>						
Dove House						
Property	1,025,946	-	(42,773)	-	-	983,173
Bedded unit	68,707	5,094	(8,751)	-	-	65,050
Accessibility quality and improvement	233,034	-	(2,746)	-	-	230,288
Day therapy (Hospice)	8,557	200	(4,562)	-	-	4,195
Breast cancer relief	7,888	-	-	-	-	7,888
Sundry small funds	44,281	203,005	(178,379)	-	-	68,907
Storr legacy	69,716	-	(1,922)	-	-	67,794
New building fund	2,841,887	-	(64,378)	-	-	2,777,509
Support line	6,142	-	-	-	-	6,142
Physiotherapy	(5,901)	-	-	-	-	(5,901)
Hospice UK/ NHSE fund	-	1,517,329	(1,517,329)	-	-	-
	<u>4,300,257</u>	<u>1,725,628</u>	<u>(1,820,840)</u>	<u>-</u>	<u>-</u>	<u>4,205,045</u>
<i>Total of funds</i>	<u>15,152,185</u>	<u>11,300,549</u>	<u>(9,237,450)</u>	<u>-</u>	<u>63,706</u>	<u>17,278,990</u>

24. Summary of funds

Summary of funds – current year

	As restated Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2022 £
Designated funds	2,000,000	-	-	1,200,000	-	3,200,000
General funds	11,059,710	10,593,899	(9,314,203)	(1,212,493)	12,630	11,139,543
Endowment funds	14,235	-	-	12,493	2,307	29,035
Restricted funds	4,205,045	293,035	(388,845)	-	-	4,109,235
	17,278,990	10,886,934	(9,703,048)	-	14,937	18,477,813

Summary of funds – prior year

	As restated Balance at 1 April 2020 £	Income £	As restated Expenditure £	Transfers in/out £	Gains/ (Losses) £	As restated Balance at 31 March 2021 £
Designated funds	-	-	-	2,000,000	-	2,000,000
General funds	10,837,693	9,574,921	(7,416,610)	(2,000,000)	63,706	11,059,710
Endowment funds	14,235	-	-	-	-	14,235
Restricted funds	4,300,257	1,725,628	(1,820,840)	-	-	4,205,045
	15,152,185	11,300,549	(9,237,450)	-	63,706	17,278,990



25. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Endowment funds 2022 £	Total funds 2022 £
Tangible fixed assets	6,777,064	3,953,271	-	10,730,335
Intangible fixed assets	31,667	-	-	31,667
Fixed asset investments	248,214	-	29,035	277,249
Current assets	8,155,603	155,964	-	8,311,567
Creditors due within one year	(869,700)	-	-	(869,700)
Provisions for liabilities and charges	(3,305)	-	-	(3,305)
Total	14,339,543	4,109,235	29,035	18,477,813

Analysis of net assets between funds – prior year

	As restated Unrestricted funds 2021 £	As restated Restricted funds 2021 £	Endowment funds 2021 £	As restated Total funds 2021 £
Tangible fixed assets	6,902,999	4,067,315	-	10,970,314
Intangible fixed assets	51,667	-	-	51,667
Fixed asset investments	209,080	-	14,235	223,315
Current assets	6,566,029	137,730	-	6,703,759
Creditors due within one year	(656,941)	-	-	(656,941)
Provisions for liabilities and charges	(13,124)	-	-	(13,124)
Total As restated	13,059,710	4,205,045	14,235	17,278,990

26. Related party transactions

Dove House Trading Limited is the wholly owned subsidiary of Dove House Hospice Limited. During the year the charity recharged wage costs of £724,948 (2021: £646,861), charged commission of £8,214 (2021: £1,879) and charged a management fee of £18,500 (2021: £17,500) to the subsidiary company. At the year end, amounts owed to Dove House Hospice Limited were £129,299 (2021: £248,346).

The Head of Fundraising, Laura Sadler, is the wife of Chris Sadler who is the Chief Executive and a member of the Executive Leadership Team. As such she is considered to be a related party. During the period she received remuneration for her employment of £36,442 (2021: £35,581).

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

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	1,198,823	2,126,805
<i>Adjustments for:</i>		
Depreciation charges	452,427	450,086
Amortisation charges	20,000	20,000
Gains/(losses) on investments	4,136	(63,708)
Interest received	(41,490)	(14,621)
(Profit)/loss on the sale of fixed assets	(3,292)	640
Decrease in stocks	22,159	40,604
(Increase)/decrease in debtors	(43,547)	686,930
Increase in creditors	202,940	49,462
<i>Net cash provided by operating activities</i>	1,812,156	3,296,198



Notes to the Financial Statements

for the year ended 31 March 2022

28. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	7,407,795	5,821,375
Total cash and cash equivalents	7,407,795	5,821,375

29. Analysis of changes in net debt

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	5,821,375	1,586,420	7,407,795
	5,821,375	1,586,420	7,407,795

30. Pension commitments

The company operates various defined contribution pension schemes for its employees. The pension cost charges represent contributions payable by the company and amounted to £386,273 (2021: £399,993). There were no contributions outstanding or prepaid at 31 March 2022 or 31 March 2021.

31. Operating lease commitments

At 31 March 2022 the group and the charitable company had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Not later than 1 year	219,867	277,888	219,867	276,388
Later than 1 year and not later than 5 years	246,879	299,008	246,879	296,633
Later than 5 years	2,750	750	2,750	750
	469,496	577,646	469,496	573,771

**“ The transition
in our funding model
from a reliance on Covid support
schemes back to our conventional
fundraising activities has been
a great success and testimony
to all our supporters and those
employed in raising the vital funds
to sustain Dove House.”**

**Chris Sadler
Chief Executive**



Dove House Hospice, Chamberlain Road, Hull, HU8 8DH



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Dove House Hospice Limited a company limited by guarantee.
Registered office: Dove House Hospice, Chamberlain Road, Hull, HU8 8DH.
Registered in England and Wales Company number: 01498747
Registered Charity Number: 509551



**dovehouse
hospice**
caring for people with a life limiting illness