

Company registration number: 02080756

Charity registration number: 518394

# DARLINGTON & DISTRICT HOSPICE MOVEMENT T/A ST TERESA'S HOSPICE

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 March 2021

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Contents**

Reference and Administrative Details	1
Trustees' Report	2 to 11
Independent Auditors' Report	12 to 14
Statement of Financial Activities	15
Statement of Financial Activities	16
Balance Sheet	17
Statement of Cash Flows	18
Notes to the Financial Statements	19 to 36

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Reference and Administrative Details

<b>Trustees</b>	Mr A MacConachie OBE,DL, Hon DBA Honorary President, (not a director) Dr H Byrne (Chair) Col N C T Millen OBE Dr H McLeish Mrs S Warr Mr C J Clinkard Mr A I Spurr Councillor C C B Hughes Mr M W Brown Mrs C S Charlton
<b>Secretary</b>	Mrs N J Myers
<b>Key Management Personnel</b>	Jane Bradshaw, Chief Executive Officer Alison Marshall, Head of Care Nicola Myers, Finance Director Diane Farrell, Head of Workforce Development
<b>Principal Office</b>	The Woodlands Woodland Road Darlington Durham DL3 7UA The charity is incorporated in England and Wales.
<b>Charity Registration Number</b>	518394
<b>Company Registration Number</b>	02080756
<b>Bankers</b>	Barclays Bank plc Darlington 31 High Row Darlington Co Durham DL3 7QS
<b>Auditor</b>	MHA Tait Walker 1 Massey Road Thornaby Stockton-on-Tees TS17 6DY

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Trustees' Report**

The Trustees, who are directors for the purposes of company law, present the annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 March 2021.

### **Structure, governance and management**

#### ***Nature of governing document***

The charity is controlled by its governing document, a Deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

Darlington and District Hospice Movement, is also known as St Teresa's Hospice, is a charitable company limited by guarantee. Incorporated 4 December 1986, company registration number 2080756 and registered as a charity on 23 January 1987, charity number 518394.

The company was established under a Memorandum of Association which established the objects and powers of the charitable company, is governed under its Articles of Association. Under those Articles, the members of the Management Committee are elected at the AGM. One third of the Management Committee shall retire at each AGM and can offer themselves for re-election.

The financial statements comply with the Charities Act 2006, the governing document of the company and they are prepared in accordance with the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP) and Companies Act 2006.

#### ***Organisational structure***

The Council of Management consists of 9 Trustees who meet at least 6 times a year (including the AGM) to oversee the general and strategic direction and policy of the charity.

The group of senior staff known as the Strategic Management Team hold delegated day to day management responsibilities and line manage the individual Department Heads/Team Leaders.

## **Governance and Training**

### ***1. The Charity Governance (Corporate Governance)***

Regular Board of Trustees (Council of Management) meetings address the management of all aspects of Hospice services / finances / premises. The Strategic Management Team ensures compliance with the regulations of: Care Quality Commission / Charities Act / Companies House / Health & Safety / Employment Law etc.

New Trustees are taken through an induction training session. The Board of Trustees has an annual refresher training programme when members review their responsibilities, review progress against the strategic plan, and are updated on any new services, legislation or other developments.

The Hospice Chairman and/or the Chief Executive Officer, and/or delegates attend the annual Hospice UK Road Show, and the National Conference where possible, to keep abreast of national developments in Hospices.

Members of staff are members of appropriate national associations to ensure free flow of current thinking and up to date knowledge of legislation, for example:

- Institute of Fundraising Managers
- BCAS
- College of Nursing
- Chartered Institute of Management Accountants (CIMA)
- Chartered Institute of Personnel

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Trustees' Report**

### ***2. An Overview of Clinical Governance at St Teresa's Hospice***

The Board of Trustees has overall responsibility for Clinical Governance with delegated responsibility to the Clinical Governance Group for operational implementation and compliance across the Hospice. The Chief Executive has overall accountability for clinical governance, reporting to the Board of Trustees, and the Head of Care services has delegated responsibility. The Hospice Clinical Governance Group reports firstly into the Board of Trustees. The Chair of the Clinical Governance Group is both an experienced GP and a member of the Hospice Board of Trustees. The Clinical Governance Group has terms of reference and has responsibility for monitoring the implementation of the Strategy across the Hospice and compliance to quality and safety measures. Three levels of responsibility are defined throughout the organisation; members of the strategic management team, line managers and front line staff.

### **Relationships with related parties**

#### **North East Hospice Lottery Limited**

The Hospice has a £1 ordinary share investment in North East Hospices Lottery Limited; this represents a 25% share in the allotted share capital. In return for this investment, the Hospice receives a 25% share of the payments to associated undertakings; this is usually the net profit of the Lottery, available for distribution.

### ***Major risks and management of those risks***

The Trustees review risks to the Charity on a regular basis, as part of the administration of the Charity; this process is undertaken through Management Meetings, and through the sub-committees of the Board of Trustees and it covers all aspects of the Hospice's work and its premises.

The Hospice's Finance Advisory Group reviews financial risk with the Chief Executive (Hospice Director) and Finance Director.

The Hospice's Facilities Manager is responsible for Health and Safety risk assessment and review, and reports directly to the Chief Executive. A task group led by the Facilities Manager reviews Health & Safety on a regular basis.

The Hospice has a Business Continuity Plan which sets out key components of Business Continuity Management as relevant to the Hospice in the case of major disruption to the service/s, and identifies delegated responsibilities for planning and implementation, relevant training, monitoring and review; it is underpinned by a series of departmental assessments, and a process plan to aid decision making.

### **Objectives and activities**

#### ***Objects and aims***

Our aim is to care for people with life limiting conditions, to provide excellent end of life care, and to provide support for their carers and other family members up to and beyond bereavement.

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Trustees' Report

### ***Mission Statement***

St Teresa's Hospice aims to provide "CHOICE"

C omplete

H olistic Palliative Care

O ffered

I n the patients

C hosen

E nvironment

We believe we will achieve this through good management, through partnerships, through fund-raising and through the recruitment and management of quality personnel in all fields.

### ***Our Values***

St Teresa's Hospice exists to help people suffering from life-limiting illness; we help patients to keep their dignity, which is paramount, we preserve patient choice, and we provide care and support for carers and other family members.

The organisation is an independent charity and fiercely preserves this status in order to be flexible to respond to areas of greatest need.

Free care is provided, through a range of services, to patients and to their primary carers; these services are built-up on the basis of patient need and choice, using a holistic approach.

Services are accessible to everyone in the community (regardless of race, creed/non-creed, sexual orientation, social standing, age, or financial status).

The Hospice team is a dedicated, skilled, eclectic mix of employed and voluntary people; all personnel are valued and supported to achieve Hospice and personal goals.

People who work for the Hospice in any capacity are expected to demonstrate commitment to the cause, and to the attainment of our charitable objectives.

### ***Fundraising disclosures***

The charity is required to report how it deals with fundraising from the public. The charity does not use a professional fundraiser or commercial participator to raise funds. Any monies raised direct from the public follows all guidelines set out by the Charity Commission and UK law in every respect. We respect the privacy and contact preferences of all public donors.

### ***Public benefit***

The charity's aims and achievements are set out within this report. The activities set out in the report have been undertaken to further the charity's charitable purposes for the public benefit. The Trustees have complied with the duty under Section 4 of the Charitable Act 2006 to have due regard to the public benefit guidance published by the Charities Commission and the Trustees have paid due regard to this guidance in deciding what activities the charity should undertake.

We provide terminal and respite care to anyone 18 years old or over who is suffering from a life limiting illness in its end stages. We also provide support for carers and family members up to and after bereavement.

The trustees have referred to the guidance in the Charity Commission general guidance on public benefits when reviewing the aims and objectives in planning and future activities. The charitable objectives are also set out in order to provide a clear and demonstrable public benefit, which the trustees believe are continually achieved.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Trustees' Report**

### ***How do we respond to their needs?***

We are a needs-led service, responding to the needs of patients and their carers. Our services have developed entirely as a result of listening to carers' needs for support and patients' needs for comfort and choice in when and where they receive their care. We also have close working relationships with local GP's and Community Nurses, who have considerable input into the options we provide for patient care. The Charity's development is as a direct result of input from patients, carers and health care professionals.

In brief summary, our services are:

- Community Hospice (Hospice at Home; Rapid Response Service; Volunteer Visitor Service)
- Day Hospice (Specialist clinics; Satellite service in N Yorks; Social and therapeutic programme)
- In Patient Care (In patient unit, currently operating with up to 7 fully accessible beds)
- Family Support Services (Incorporating Bereavement, Social work and Counselling support)

### **Achievements and performance**

#### **Background information:**

We have a strong focus on quality in the organisation and, within our Hospice team, we employ a Data & Quality manager.

Governance is strongly-led by the Hospice's Board of Trustees, supported by the following key sub-committees:

- Clinical Governance
- Finance
- HR (workforce development)

Key staff groups within the Hospice have been formed with specific, formal remits and meet regularly to ensure focus on, and ongoing quality improvements to, the following:

- Patient Safety
- Medicines Management
- Safeguarding
- Patient Nutrition and Hydration Care
- Falls Management
- Audit
- Admissions
- Data Quality Review

We work in a collaborative culture, ensuring that we develop our workforce, integrate with other relevant agencies, and that we never lose sight that our Hospice belongs to local people, without whom, we simply would not be able to continue our vital services.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Trustees' Report**

### **Achievements and performance**

At the time of writing this report, it seems that the world continues its slow recovery progress from the Covid-19 pandemic. It is hard to look back when we have been operating under high alert in an ever-changing, stressful situation for over a year, and the way we now work has been radically changed.

It has been such a difficult year for everyone, and we have greatly missed seeing so many of our dedicated volunteers. Many people have been in touch with good wishes for the organisation, which we have all really appreciated.

We have made many changes in our environment, some of which are set to remain in place until well into the future. A RAG system for restricted visiting in the inpatient unit and in the rest of the building is in place and flexible working (which was already a feature for some of our workforce) has been ramped-up with many people working at least part of the time from home.

Day Hospice programmes and outpatient clinics at the Hospice were put on hold in March 2020, but wellbeing calls to keep in touch and zoom contacts with patients and carers supplemented this. Unfortunately, we haven't had either the financial resources or the opportunities due to physical restrictions, for group activities.

We have had to make some very tough decisions for survival as well as sustainability.

It has made us all extremely sad to have to lose some of our team members, some of whom had been with us for a long time, and all of whom were very dedicated to providing patient care. We also commend those managers who supported them through the process, and the team members who have remained, as this was very hard for them also.

COVID has brought the biggest change to our "normal" world for generations.

It is important that we now acknowledge we are in a transition phase, and that this must be largely a time of consolidation.

We have a new set of strategic goals for the next 10 years, which can be seen in our Annual Review Publication and on our website - summarised as follows:

Our Strategic Priorities Are:

- To provide services which are Appropriate, Sustainable and Dependable
- To be clearly positioned as a hub of palliative and end of life care
- To ensure we are excellently governed

We have further identified aspirations for the next year 2021-2022 in our Annual Quality Account as follows summarised in the following paragraphs 1-4:

#### **1. Develop the link practitioner programme**

This is a continuation of improvement work commenced in 2020. The programme will be rolled-out using identified champions and working in partnership with specialist leads external to the Hospice. This programme is scheduled to be in place and working by the end of the year 2021-2022



# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Trustees' Report**

2. To explore digital options to enhance engagement with patients and families

Work is underway to improve access by offering an online support hub for patients and families. This will be further developed during 2021-2022. The vision is an online facility, which will be a toolkit for patients and carers registered with the Hospice.

Patients can sign up to e-programmes, which they can access at a time to suit them. Effectively, through this portal, we are supporting existing patients and it gives people access to our services 24/7. It also may attract people who would not normally access our services e.g. people who are younger / people who keep on working until late in their disease trajectory.

3. Further competence development

Our audit programme identified the need for further competence development; we have developed this into a 3-year programme in order to drill down into every single role in the Hospice and ensure we have an effective set of competences which are not only identified but which are demonstrated and updated regularly. This comprehensive project is scheduled to be complete by March 2023 or sooner if possible.

4. Improvement based on audit of policies and standard operating procedures (SOPS)

Our audit programme has identified that SOPs do not always “match” their over-arching Policy. We are therefore undertaking a planned fundamental review of all SOPs, tracking progress, cross-referencing them with the relevant Policies.

This comprehensive review is ongoing as policies are due for renewal/revision.

### **The New Tees Valley Clinical Commissioning Group**

We have begun to work with our new partners in Tees Valley Clinical Commissioning Group and look forward to contributing to the development of their vision and strategic plan for palliative and end of life care.

### **A review of skill mix and a collaborative approach**

We continue to work to extend what we do outside of health care to also meet some of the social care needs which are so vital to quality of life for palliative patients and their families.

We are committed to exploring partnership work in collaboration with other charities and relevant organisations to ensure the right care is accessible in the right place.

Over the next year, a review of all staff positions and consultations with potential new partners will inform any necessary structural changes in order to ensure that we have the right skill mix across departments and in senior management in the future, in order to work sustainably, reliably maintain our core services, and to ensure we remain relevant and responsive to need.

**Our work is made possible through an effective, eclectic mix of staff and volunteers.**

**The Board and Senior Managers sincerely thank all of the people in our “One Hospice” team and our supporters in the wider community.**

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Trustees' Report

### Financial review

#### *Policy on reserves*

Reserves are needed to sustain operations during periods when there is an unanticipated shortfall in main income sources or to cover unanticipated significant expenditure. The trustees review risk to the Hospice on a regular basis via a panel of experts on the Finance Committee. In previous years the trustees have concluded that reserves of six months operational costs should be created. This would equate to a reserve in the range of £1.2m to £1.5m as at 31st March 2021.

In 2015 the trustees took a strategic view, which balanced the need to manage risks against the need to serve beneficiaries, and combined with a good understanding of the business model and its inherent risks, decided that it would be in the best interest of the Hospice if a proportion of the reserves were used to fund the new, and now fully operational, purpose built, inpatient building. This had an expected negative impact on the reserves as first reported in 2015/16 accounts.

The actual free reserves currently held at 31st March 2021 amounted to £2,562,999 (2020: £372,501) calculated as follows: Unrestricted cash of £1,848,864 plus Debtors of £898,949 less Current Creditors of £184,814.

This level of reserves is significantly higher than the level laid out in the policy. The trustees therefore consider that the Hospice has sufficient readily available money to enable it to pay for ongoing operations during the year to come.

Financially 2020/21 has been quite extraordinary. The outcome for the year was a surplus of £1,838,438 which compares with a deficit of £271,280 for the previous year. In March 2020 all the Hospice shops were closed due to lockdown restrictions and all of the Hospice's traditional fundraising events and activities were cancelled. This was a devastating immediate blow to income. During 2020/21 the Hospice was fortunate to be granted monetary support from the Government via Hospice UK in return for providing bed capacity to the wider health sector should that be required, plus, towards the end of the year, it was in receipt of an unusually high value of legacy donations, both of which have resulted in this hugely positive financial result. Furthermore, the Hospice took advantage of the the Local Authority grants provided to the retail sector and where applicable the Coronavirus Job Retention Scheme (CJRS). However, these are non-recurrent income sources which will not be available to the Hospice in future years.

Looking at the income lines in more detail total voluntary income was both higher than budgeted expectations and that reported in the previous year.

Donations and gifts were lower than the previous year (2020/21 £158,905).

The fundraising team look to secure ongoing support from individuals, schools, groups and businesses, as well as provide assistance to donors organising their own external events. However, because of the pandemic physical events ceased overnight and fundraising was severely restricted. The Hugs Appeal, launched almost immediately after the Hospice's usual means of fundraising was curtailed, generated over £100,000 of income. The Trustees recognise that this stands testament to the high regard the local community has for the Hospice and its willingness to support it during unprecedented times. Some relevant fundraising activity moved online and the fundraising team continued to engage with supporters very successfully. Furthermore, trust funders have shown very generous support in response to the crisis. As a result, income from events and trusts was higher than the previous year (2020/21 £461,110). As restrictions began to ease St Teresa's fundraising team made their first steps into hosting physical events for the supporters into the autumn and winter months. These were successful but income was impacted by COVID restrictions and rules on social distancing.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Trustees' Report**

Donations from the North East Hospices Lottery (NEHL) show a decrease on the previous year (2020/21 £65,254).

Although unpredictable in nature, legacy income provides a valuable resource to the charity; in the year the Hospice was notified of and recognised over £880,000 in legacy donations which had been bequeathed to the Hospice. This amount far surpasses any annual total in the Hospice's history. The generosity of those individuals who remembered St Teresa's in their wills by leaving a legacy is recognised. The Hospice has a legacy marketing strategy, which includes leaflet drops to local solicitors, and the promotion of a free will campaign on an annual basis.

As in previous years, the Hospice received partial funding from the NHS, there was a small uplift to the core grant at the start of the financial year.

The NHS also continued to contribute 50% of the funding towards the Rapid Response service. The Hospice continues to work locally and nationally to try to improve the levels of funding it receives for each of its charitable services.

The retail sector had an extremely challenging year with lockdown restrictions meaning that they were closed for significant periods during the 2020/21 financial year. While shops remained closed, the majority of their staff were furloughed and the Government cancelled business rates for shops for the tax year, so the fixed costs of retail largely consisted of rents. Rent reductions were negotiated with some landlords. When the shops could open, they performed exceptionally well given the challenging conditions and reported income of £195,649 for 2020/21. This exceeded the revised 'COVID' budget prepared at the start of the financial year. The eBay shop continued its operations throughout the pandemic, somehow trebling the budget figure provided for it. The dedicated retail staff and volunteer team made all this possible. Stringent cost control ensured that a high proportion of the revenue from the sale of donated goods found its way towards funding patient care.

Investment income has decreased from the previous year (2020/21 £1,316).

The Hospice also took advantage of the Coronavirus Business Interruption Loan (CBIL).

Expenditure was well below budget and was lower than the previous year. The average head count of employees decreased from 133 in 2019/20 to 112. Even though the Hospice utilised the CJRS organisation-wide reviews were conducted and very sadly some posts were made redundant during the year. Staff costs remain by far the greatest type of expenditure the Hospice incurs. Without the dedicated professional staff and volunteers the Hospice could not continue to provide its services.

### **Summary**

The Hospice relies on the support of the local CCGs, the community and businesses and its own commercial activities to continue operating. Never more has the support from the community and businesses been critical than in 2020/21 with the impact of the global pandemic. The standout positive variance, aside from the financial support provided by the Government, is income generated from legacies. The culture of being cost-conscious has continued throughout the year. Applications to grant-making charitable trusts have also proved very successful during the year. The cash position is extremely healthy at the end of the year, however, with the Government support ceasing the future position will depend, firstly, on how well retail and fundraising income recover and also on the continued implementation and success of the Hospice recovery plan. Funding remains a key focus and challenge to the future security of the Hospice. The staff, trustees and volunteers are committed to maximising income and controlling expenditure without compromising services to help ensure that the Hospice can continue to offer the high quality care and support that has made it an essential part of the community. Therefore, on this basis, the Trustees are satisfied with the financial position of St Teresa's Hospice as at the year ended 31 March 2021.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Trustees' Report**

### **Going Concern**

The financial statements have been prepared on a going concern basis.

The charity meets its day to day working capital requirements through cash generated from operations. At the year end the charity had net current assets of £2,562,999 including cash of £1,848,864 and made a surplus of £1,838,438. The charity has taken out a CBILS loan during the year however has limited other financial commitments.

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. In the trustee's assessment of reasonably possible changes in financial performance for the next twelve months they have considered a fall in fundraising and trading income should restrictions be reintroduced.

Based on the factors set out above the trustees believe that there is no material uncertainty in relation to going concern and that the charity has adequate financial resources to continue in operational existence for at least twelve months from the date of signing the financial statements and therefore the trustees believe it remains appropriate to prepare the financial statements on a going concern basis.

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Trustees' Report

### Statement of Trustees' Responsibilities

The Trustees (who are also the directors of Darlington & District Hospice Movement T/A St Teresa's Hospice for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and 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.


### Disclosure of information to auditor

Each member has taken steps that they ought to have taken as a member in order to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information. The Trustees confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

### Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of MHA Tait Walker as auditors of the charity is to be proposed at the forthcoming Annual General Meeting.

The annual report was approved by the Trustees of the charity on 18/10/2022 and signed on its behalf by:

  
Dr H Byrne (Chair)  
Trustee

  
Mrs N J Myers  
Company Secretary

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Independent Auditor's Report to the Members of Darlington & District Hospice Movement T/A St Teresa's Hospice**

### **Opinion**

We have audited the financial statements of Darlington & District Hospice Movement T/A St Teresa's Hospice (the 'charity') for the year ended 31 March 2021, which comprise the Statement of Financial Activities, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards, comprising Charities SORP - FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and applicable law (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

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

### **Basis for opinion**

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

### **Conclusions relating to going concern**

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements were 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 Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Independent Auditor's Report to the Members of Darlington & District Hospice Movement T/A St Teresa's Hospice**

### **Opinion on other matters prescribed by the Companies Act 2006**

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

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

### **Responsibilities of Trustees**

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 11], the Trustees 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 charity'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 charity or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

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

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:

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Independent Auditor's Report to the Members of Darlington & District Hospice Movement T/A St Teresa's Hospice

- Enquiries with management, about any known or suspected instances of non-compliance with laws and regulations and fraud;
- Assessment of matters recorded on the risk register;
- Reviewing board minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates; and
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness.

Because of the field in which the charity operates, we identified the following areas as those most likely to have a material impact on the financial statements: Care Quality Commission (CQC), Health and Safety; employment law (including the Working Time Directive); and compliance with the UK Companies Act and Charities Act.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### Use of our report

This report is made solely to the charitable company's Trustees, 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 charity's trustees 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 trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Simon Brown BA ACA DChA (Senior Statutory Auditor)  
For and on behalf of MHA Tait Walker  
Chartered Accountants  
Statutory Auditor  
1 Massey Road  
Thornaby  
Stockton-on-Tees  
TS17 6DY

Date: 19/10/2021

MHA Tait Walker is a trading name of Tait Walker LLP.



## Darlington & District Hospice Movement T/A St Teresa's Hospice

### Statement of Financial Activities for the Year Ended 31 March 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2021 £	Total 2020 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	3,230,636	1,021,798	4,252,434	2,400,140
Other trading activities	4	195,649	-	195,649	662,545
Investment income	5	1,316	-	1,316	3,057
Other income	6	120,862	-	120,862	23,485
Total Income		<u>3,548,463</u>	<u>1,021,798</u>	<u>4,570,261</u>	<u>3,089,227</u>
<b>Expenditure on:</b>					
Raising funds		(184,915)	-	(184,915)	(247,786)
Charitable activities	7	<u>(2,397,385)</u>	<u>(149,523)</u>	<u>(2,546,908)</u>	<u>(3,112,721)</u>
Total Expenditure		<u>(2,582,300)</u>	<u>(149,523)</u>	<u>(2,731,823)</u>	<u>(3,360,507)</u>
Net income/(expenditure)		966,163	872,275	1,838,438	(271,280)
Transfers between funds		<u>888,833</u>	<u>(888,833)</u>	<u>-</u>	<u>-</u>
Net movement in funds		1,854,996	(16,558)	1,838,438	(271,280)
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>2,449,766</u>	<u>891,355</u>	<u>3,341,121</u>	<u>3,612,401</u>
Total funds carried forward	20	<u><u>4,304,762</u></u>	<u><u>874,797</u></u>	<u><u>5,179,559</u></u>	<u><u>3,341,121</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

## Darlington & District Hospice Movement T/A St Teresa's Hospice

### Comparative Statement of Financial Activities for the Year Ended 31 March 2020

#### (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)


	Note	Unrestricted £	Restricted £	Total 2020 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	2,234,822	165,318	2,400,140
Other trading activities	4	662,545	-	662,545
Investment income	5	3,057	-	3,057
Other income	6	23,485	-	23,485
Total income		<u>2,923,909</u>	<u>165,318</u>	<u>3,089,227</u>
<b>Expenditure on:</b>				
Raising funds		(247,786)	-	(247,786)
Charitable activities	7	<u>(2,926,693)</u>	<u>(186,028)</u>	<u>(3,112,721)</u>
Total expenditure		<u>(3,174,479)</u>	<u>(186,028)</u>	<u>(3,360,507)</u>
Net expenditure		<u>(250,570)</u>	<u>(20,710)</u>	<u>(271,280)</u>
Net movement in funds		(250,570)	(20,710)	(271,280)
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,700,336</u>	<u>912,065</u>	<u>3,612,401</u>
Total funds carried forward	20	<u><u>2,449,766</u></u>	<u><u>891,355</u></u>	<u><u>3,341,121</u></u>

# Darlington & District Hospice Movement T/A St Teresa's Hospice

(Registration number: 02080756)  
Balance Sheet as at 31 March 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	14	2,858,227	2,968,620
<b>Current assets</b>			
Debtors	15	898,949	388,100
Cash at bank and in hand		<u>1,848,864</u>	<u>160,830</u>
		2,747,813	548,930
<b>Creditors: Amounts falling due within one year</b>	16	<u>(184,814)</u>	<u>(176,429)</u>
<b>Net current assets</b>		<u>2,562,999</u>	<u>372,501</u>
<b>Total assets less current liabilities</b>		5,421,226	3,341,121
<b>Creditors: Amounts falling due after more than one year</b>	17	<u>(241,667)</u>	<u>-</u>
<b>Net assets</b>		<u><u>5,179,559</u></u>	<u><u>3,341,121</u></u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		874,797	891,355
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>4,304,762</u>	<u>2,449,766</u>
<b>Total funds</b>	20	<u><u>5,179,559</u></u>	<u><u>3,341,121</u></u>

The financial statements on pages 15 to 36 were approved by the Trustees, and authorised for issue on ~~13/04/2021~~ 13/04/2021. and signed on their behalf by:

  
.....  
Dr H Byrne (Chair)  
Trustee

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Statement of Cash Flows for the Year Ended 31 March 2021

	Note	2021 £	2020 £
<b>Cash flows from operating activities</b>			
Net cash income/(expenditure)		1,838,438	(271,280)
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		104,051	128,785
Investment income	5	(1,316)	(3,057)
Profit on disposal of tangible fixed assets		<u>(40,862)</u>	<u>(839)</u>
		1,900,311	(146,391)
<b>Working capital adjustments</b>			
Increase in debtors	15	(510,849)	(72,309)
Increase in creditors	16	<u>52</u>	<u>27,281</u>
Net cash flows from operating activities		<u>1,389,514</u>	<u>(191,419)</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	1,316	3,057
Purchase of tangible fixed assets	14	(12,759)	(12,687)
Sale of tangible fixed assets		<u>59,963</u>	<u>2,080</u>
Net cash flows from investing activities		48,520	(7,550)
<b>Cash flows from financing activities</b>			
Value of new loans obtained during the period		<u>250,000</u>	<u>-</u>
Net increase/(decrease) in cash and cash equivalents		1,688,034	(198,969)
Cash and cash equivalents at 1 April		<u>160,830</u>	<u>359,799</u>
Cash and cash equivalents at 31 March		<u><u>1,848,864</u></u>	<u><u>160,830</u></u>

All of the cash flows are derived from continuing operations during the above two periods.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **1 Charity status**

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is The Woodlands, Woodlands Road, Darlington, DL3 7UA, Durham.

The liability of individual members is limited to a maximum of £1 if the charity is wound up whilst he or she is a member or within one year of ceasing to be a member.

### **2 Accounting policies**

#### **Statement of compliance**

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 (FRS 102) (effective 1 January 2019 - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### **Basis of preparation**

Darlington & District Hospice Movement T/A St Teresa's Hospice meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in sterling, which is the functional currency of the entity.

#### **Going Concern**

The financial statements have been prepared on a going concern basis.

The charity meets its day to day working capital requirements through cash generated from operations. At the year end the charity had net current assets of £2,562,999 including cash of £1,848,864 and made a surplus of £1,838,438. The charity has taken out a CBILS loan during the year however has limited other financial commitments.

The charity's forecasts and projections for the next twelve months show that the charity should be able to continue in operational existence for that period, taking into account reasonable possible changes in trading performance and the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This also considers the effectiveness of available measures to assist in mitigating the impact. In the trustee's assessment of reasonably possible changes in financial performance for the next twelve months they have considered a fall in fundraising and trading income should restrictions be reintroduced.

Based on the factors set out above the trustees believe that there is no material uncertainty in relation to going concern and that the charity has adequate financial resources to continue in operational existence for at least twelve months from the date of signing the financial statements and therefore the trustees believe it remains appropriate to prepare the financial statements on a going concern basis.

#### **Estimation uncertainty and judgements**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **Income and endowments**

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured.

### ***Donations and legacies***

Legacy income is recognised when receipt is probable and entitlement is established. Where a legacy is notified to the charity prior to the year end, it is recognised as income if it is received before the accounts are approved.

Income from donations is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

### ***Grants receivable***

Income from grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.

### ***Donated services and facilities***

Income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

### **Expenditure**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

### ***Raising funds***

Expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.

### ***Charitable activities***

Expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.

### ***Other expenditure***

Other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Government grants

Grants are recognised in income over the period in which the costs are recognised where there are performance conditions attached to the grant, otherwise the income is recognised in full.

### Tangible fixed assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses.

### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Freehold property	2% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line
Equipment	Straight line 4 years and straight line 15 years

### Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

### Trade debtors

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

### Cash and cash equivalents

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

### Trade creditors

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

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

### **Fund structure**

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through terms of appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

### **Pensions and other post retirement obligations**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.



# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 3 Income from donations and legacies

	Unrestricted		Total
	General	Restricted	2021
	£	£	£
Donations and legacies;			
Donations and gifts	158,905	-	158,905
Donations from events & trusts	421,060	40,050	461,110
Donations from North East Hospice Lottery	65,254	-	65,254
Legacies	880,823	-	880,823
Grants, including capital grants;			
CJRS	209,098	-	209,098
Grants	1,495,496	90,742	1,586,238
Hospice UK	-	891,006	891,006
	<u>3,230,636</u>	<u>1,021,798</u>	<u>4,252,434</u>

Hospice UK is the distribution of central government emergency grants.

	Unrestricted funds	Restricted funds	Total
	General		2020
	£	£	£
Donations and legacies;			
Donations and gifts	178,800	-	178,800
Donations from events & trusts	408,077	5,182	413,259
Donations from North East Hospice Lottery	78,565	-	78,565
Legacies	49,052	-	49,052
Grants, including capital grants;			
Grants	<u>1,520,328</u>	<u>160,136</u>	<u>1,680,464</u>
	<u>2,234,822</u>	<u>165,318</u>	<u>2,400,140</u>

### 4 Income from other trading activities

	Unrestricted funds	Total funds	Total
	General		2020
	£	£	£
Trading income;			
Shop income from sale of donated goods and services	<u>195,649</u>	<u>195,649</u>	<u>662,545</u>
	<u>195,649</u>	<u>195,649</u>	<u>662,545</u>

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 5 Investment income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,316	1,316	3,057

### 6 Other income

	Unrestricted funds General £	Total 2021 £	Total 2020 £
Other income	-	-	22,646
Gains on sale of tangible fixed assets for charity's own use	40,862	40,862	839
Insurance income	80,000	80,000	-
	120,862	120,862	23,485

### 7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2021 £
Out Patient and operational costs	742,362	87,775	830,137
Home care	268,313	61,748	330,061
In Patient unit	650,000	-	650,000
Shop expenses	435,590	-	435,590
Governance costs	301,120	-	301,120
	2,397,385	149,523	2,546,908

	Unrestricted funds General £	Restricted funds £	Total 2020 £
Out Patient and operational costs	1,078,841	89,053	1,167,894
Home care	254,039	96,975	351,014
In Patient unit	692,855	-	692,855
Shop expenses	515,805	-	515,805
Governance costs	385,153	-	385,153
	2,926,693	186,028	3,112,721

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

	Activity undertaken directly £	Activity support costs £	2021 £	2020 £
Out Patient and operational costs	449,103	381,034	830,137	1,167,894
Home care	330,061	-	330,061	351,014
In Patient unit	650,000	-	650,000	692,855
Shop expenses	435,590	-	435,590	515,805
Governance Costs	-	301,120	301,120	385,153
	<u>1,864,754</u>	<u>682,154</u>	<u>2,546,908</u>	<u>3,112,721</u>

In addition to the expenditure analysed above, there are also governance costs of £260,258 (2020: £384,314) which relate directly to charitable activities. See note 7 for further details.

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 8 Analysis of support costs

#### Support costs allocated to charitable activities

	<b>Governance costs</b>	<b>Other support costs</b>	<b>Total 2021</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	262,701	83,069	345,770
Running costs	18,172	175,324	193,496
Human resources	7,667	-	7,667
Finance costs	2,811	-	2,811
Travel costs	-	17,817	17,817
Depreciation	-	104,013	104,013
Training	-	811	811
Legal & professional	9,769	-	9,769
	<u>301,120</u>	<u>381,034</u>	<u>682,154</u>
	<b>Governance costs</b>	<b>Other support costs</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	333,699	147,099	480,798
Running costs	29,704	188,021	217,725
Human resources	7,291	-	7,291
Finance costs	6,676	-	6,676
Travel costs	-	22,826	22,826
Depreciation	-	128,785	128,785
Training	-	7,855	7,855
Legal & professional	7,783	-	7,783
	<u>385,153</u>	<u>494,586</u>	<u>879,739</u>

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### Raising funds expenditure

#### Costs of generating donations and legacies

	Unrestricted		
	General	Total	Total
	£	2021	2020
		£	£
Wages and salaries	118,504	118,504	114,108
Employer's NIC	7,461	7,461	8,710
Pension Costs	2,838	2,838	3,714
Other motor/travel costs	-	-	830
Cost of events	41,500	41,500	104,535
Publications & advertising	14,612	14,612	15,889
	<u>184,915</u>	<u>184,915</u>	<u>247,786</u>

### 9 Net incoming/outgoing resources

Net incoming/(outgoing) resources for the year include:

	2021	2020
	£	£
Operating leases - plant and machinery	112,051	155,101
Audit fees	6,100	6,100
Profit on disposal of tangible fixed assets	(40,862)	(839)
Depreciation of fixed assets	<u>104,051</u>	<u>128,785</u>

### 10 Trustees remuneration and expenses

No Trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 11 Staff costs

The aggregate payroll costs were as follows:

	2021 £	2020 £
<b>Staff costs during the year were:</b>		
Wages and salaries	1,875,962	2,202,144
Social security costs	126,543	157,345
Pension costs	113,985	141,549
	<u>2,116,490</u>	<u>2,501,038</u>

The average head count of employees (including senior management team) employed by the charity during the year was as follows:

	2021 No	2020 No
Employees	<u>112</u>	<u>133</u>

No employee received emoluments of more than £60,000 during the year.

The number of employees whose emoluments fell within the following bands was:

	2021 No	2020 No
£90,001 - £100,000	<u>-</u>	<u>1</u>

The total employee benefits of the key management personnel of the charity were £161,588 (2020 - £210,774).

### 12 Auditors' remuneration

	2021 £	2020 £
Audit of the financial statements	<u>6,100</u>	<u>6,100</u>

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 13 Taxation

The charity is 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.

### 14 Tangible fixed assets

	Land and buildings £	Furniture and equipment £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 April 2020	3,672,337	771,280	32,682	4,476,299
Additions	-	12,759	-	12,759
Disposals	(36,319)	(175,353)	-	(211,672)
At 31 March 2021	<u>3,636,018</u>	<u>608,686</u>	<u>32,682</u>	<u>4,277,386</u>
<b>Depreciation</b>				
At 1 April 2020	764,495	710,502	32,682	1,507,679
Charge for the year	69,205	34,846	-	104,051
Eliminated on disposals	(19,261)	(173,310)	-	(192,571)
At 31 March 2021	<u>814,439</u>	<u>572,038</u>	<u>32,682</u>	<u>1,419,159</u>
<b>Net book value</b>				
At 31 March 2021	<u>2,821,579</u>	<u>36,648</u>	<u>-</u>	<u>2,858,227</u>
At 31 March 2020	<u>2,907,842</u>	<u>60,778</u>	<u>-</u>	<u>2,968,620</u>

The charity has a £1 ordinary share in North East Hospice Lottery Limited. This represents a 25% share in allotted share capital of this entity which is incorporated in England. The audited financial statements for North East Hospice Lottery Limited for the year ended 31st March 2020 shows shareholders funds in deficit of £176 (2019: surplus £4) and a loss for the period amounting to £180 (2019: £nil)

Bank loans are secured by a legal charge by NHS England over the freehold property at The Woodlands, Woodland Road, Darlington on the bank's standard terms.

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 15 Debtors

	2021 £	2020 £
Trade debtors	290,015	166,274
Prepayments	54,504	74,888
Accrued income	524,540	130,170
VAT recoverable	29,890	16,768
	<u>898,949</u>	<u>388,100</u>

Accrued income relates to legacy income due to be received by the Charity.

### 16 Creditors: amounts falling due within one year

	2021 £	2020 £
Bank loans	8,333	-
Trade creditors	84,247	100,757
Other taxation and social security	28,029	36,851
Accruals	64,205	38,821
	<u>184,814</u>	<u>176,429</u>

	2021 £	2020 £
Deferred income at 1 April 2020	1,999	1,981
Resources deferred in the period	17,518	1,999
Amounts released from previous periods	<u>(1,999)</u>	<u>(1,981)</u>
Deferred income at year end	<u>17,518</u>	<u>1,999</u>

### 17 Creditors: amounts falling due after one year

	2021 £	2020 £
Bank loans	<u>241,667</u>	<u>-</u>

During the year the charity obtained a Coronavirus Business Interruption Loan. Interest is charged at a rate of 2.28% over base rate and interest for the first year is paid by the UK Government. The loan is repayable over 60 monthly instalments commencing 12 months from drawdown (February 2022).



# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 18 Obligations under leases and hire purchase contracts

#### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £	2020 £
<b>Land and buildings</b>		
Within one year	38,750	81,500
Between one and five years	75,000	177,750
After five years	-	6,667
	<u>113,750</u>	<u>265,917</u>
<b>Other</b>		
Within one year	1,042	13,876
Between one and five years	1,788	2,029
	<u>2,830</u>	<u>15,905</u>

### 19 Pension and other schemes

#### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £113,985 (2020 - £141,549).

Contributions totalling £3,976 (2020 - £5,151) were payable to the scheme at the end of the year and are included in creditors.

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 20 Funds

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
<b>General</b>					
General funds	2,449,766	3,548,463	(2,582,300)	888,833	4,304,762
<b>Restricted</b>					
IPU Grants	132,935	-	(2,890)	-	130,045
Macmillan Grant	-	38,968	(38,968)	-	-
Macmillan Grant	-	(2,173)	-	2,173	-
Homecare	-	53,947	(53,947)	-	-
NHS England Grant	700,000	-	-	-	700,000
Department of Working Pensions Grant	425	-	(188)	-	237
County Durham Community Foundation	5,496	-	(5,166)	-	330
Children in Need	8,573	-	(192)	-	8,381
William Webster Charitable Trust	2,817	-	(77)	-	2,740
Finlay Cooper Fund	7,962	-	(220)	-	7,742
Michelle Parker Charity	1,915	-	(1,915)	-	-
ASDA Foundation	7,402	-	(539)	-	6,863
Catherine Cookson Charitable Trust	1,874	-	(63)	-	1,811
Co-operative Group Limited	4,212	-	(4,212)	-	-
Ingenious Darlington Latimer Hinks	6,960	-	(4,020)	-	2,940
Wolfson Suite grant	9,284	-	(2,013)	-	7,271
DBC Carer Breaks Funding	-	3,878	(3,878)	-	-
Dhananjay Kelkar Fund	1,500	-	(617)	-	883
County Durham Community Foundation COVID-19 Fund	-	10,000	(10,000)	-	-
County Durham - Darlington Covid Fund	-	9,300	(4,044)	-	5,256
National Lottery Fund Coronavirus Community Support Fund	-	10,000	(10,000)	-	-
Asda Foundation - COVID-19 Hygiene Grants	-	300	(300)	-	-
Barbour Foundation	-	650	(650)	-	-

## Darlington & District Hospice Movement T/A St Teresa's Hospice

### Notes to the Financial Statements for the Year Ended 31 March 2021

	Balance at 1 April 2020 £	Incoming resources £	Resources expended £	Transfers £	Balance at 31 March 2021 £
Assura Community Fund	-	3,358	(3,358)	-	-
Screwfix Foundation	-	559	(261)	-	298
Amazon Darlington	-	1,000	(1,000)	-	-
Hospice UK PPE Reimbursement Scheme	-	1,005	(1,005)	-	-
Hospice UK	-	891,006	-	(891,006)	-
<b>Total restricted</b>	<u>891,355</u>	<u>1,021,798</u>	<u>(149,523)</u>	<u>(888,833)</u>	<u>874,797</u>
<b>Total funds</b>	<u>3,341,121</u>	<u>4,570,261</u>	<u>(2,731,823)</u>	<u>-</u>	<u>5,179,559</u>

The specific purposes for which the funds are to be applied are as follows:

The In Patient Unit (IPU) grant is a contribution towards the construction of the IPU. The grant has been fully spent in 2015/16 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The Macmillan grant is to contribute towards two posts working in the Hospice. The Macmillan Nurse Consultant post and the Day Hospice Manager post.

The NHS England Grant is to fund the continuing use of the freehold property 'The Woodlands'. The fund is restricted until the NHS England release the legal charge over the property or until the property is sold.

The Department of Working Pensions grant is to fund the purchase of equipment for access to work for two employees. The grant was fully spent in the 2017/18 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

The Darlington Building Society grant awarded through the County Durham Community Foundation is to support the IPU and establish a Sharing Memories area within the Hospice. The grant was fully spent in the 2017/18 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The Children in Need grant is to fund the refurbishment of the 1st floor in the Woodlands (former IPU) to house the family support suite. During the year only £8,200 of this was spent. The capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy and the unspent amount will be offset against restricted funds in the next accounting period.

The William Webster Charitable Trust grant is to fund the refurbishment of the 1st floor in the Woodlands (former IPU) to house the family support suite. The grant was fully spent in the 2017/18 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The Finlay Cooper Fund was awarded in order to fund children's bereavement services and projects. The grant was fully spent in the 2017/18 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The Michelle Parker Charity grant is to fund the purchase of equipment for the new IPU building. The grant was fully spent in the 2017/18 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The ASDA Foundation grant is to support the IPU and family support rooms within the Hospice. The grant was fully spent in the 2018/19 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The Catherine Cookson Charitable Trust grant is for a respite room and numerous equipment within the hospice. The grant was fully spent in the 2018/19 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The Co-operative Group grant is to fund some key worker training and also for equipment within the hospice. The capital element of the grant thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The Ingenious Darlington Latimer Hinks Grant was awarded to fund the support of the rapid response service, and also to support the IPU unit, including having a room named after a former patient. The grant was fully spent in the 2018/19 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

The Wolfson Suite grant is to fund the kitchen added to the Wolfson Suite in the hospice. The grant was fully spent in the 2017/18 prior financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

# **Darlington & District Hospice Movement T/A St Teresa's Hospice**

## **Notes to the Financial Statements for the Year Ended 31 March 2021**

The DBC Carer Breaks Funding is to fund for Carers' Support Group, Complementary Therapies for Carers and Counselling for young Carers and children and has been spent in the 2019/20 financial year.

The Dhananjay Kelkar Fund grant is to fund the purchase of a Syringe Driver for the Hospice. The grant was fully spent in the 2019/20 financial year and the capital element thereof is being released to Unrestricted Funds in accordance with the depreciation policy.

County Durham Community Foundation COVID-19 Fund is a contribution towards staffing costs and consumables and has been spent in the year.

County Durham - Darlington Covid Fund is a contribution towards the cost of the Wellness Hub this has been spent in the financial year and the capital element thereof is being released to unrestricted funds in line with the depreciation policy.

National Lottery Fund Coronavirus Community Support Fund is a contribution towards patient and family support in the form of remote working this has been spent in the year.

Asda Foundation - COVID-19 Hygiene Grants is a contribution towards patient toiletries and has been spent in year.

Barbour Foundation is a contribution towards vehicle misters and personal disinfect sprays and has been spent in year

Assura Community Fund is a contribution towards family support and bereavement team staff costs and training and has been spent in year

Screwfix Foundation - to fund the purchase and installation of a secure letterbox this has been spent in the financial year and the capital element thereof is being released to unrestricted funds in line with the depreciation policy.

Amazon Darlington is to contribute towards the staff costs involved in preparing the Wellness Hub this has been spent in year.

Hospice UK PPE Reimbursement Scheme is a contribution towards the purchase of PPE and has been spent in year.

Hospice UK - is emergency monetary support from the Government administered by Hospice UK to support Hospices during the pandemic.

### **Unrestricted Funds**

Unrestricted funds received during the year include contributions from the Penelope Martin Charitable Trust, the Jane Sunley Charitable Settlement, the Masonic Charitable Foundation, The February Foundation, CAF Resilience fund, Darlington Building Society, Neighbourly Community Fund, BNI Foundation, R E Chadwick Charitable Trust and The Albert Hunt Trust.

# Darlington & District Hospice Movement T/A St Teresa's Hospice

## Notes to the Financial Statements for the Year Ended 31 March 2021

### 21 Analysis of net assets between funds

	<b>Unrestricted General £</b>	<b>Restricted £</b>	<b>Total funds £</b>
Tangible fixed assets	1,983,430	874,797	2,858,227
Net current assets/(liabilities)	<u>2,318,332</u>	<u>-</u>	<u>2,318,332</u>
Total net assets	<u>4,301,762</u>	<u>874,797</u>	<u>5,176,559</u>

	<b>Unrestricted General £</b>	<b>Restricted £</b>	<b>Total funds at 31 March 2020 £</b>
Tangible fixed assets	2,077,265	891,355	2,968,620
Net current assets/(liabilities)	<u>372,501</u>	<u>-</u>	<u>372,501</u>
Total net assets	<u>2,449,766</u>	<u>891,355</u>	<u>3,341,121</u>

### 22 Analysis of net funds

	<b>At 1 April 2020 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2021 £</b>
Cash at bank and in hand	160,830	1,688,034	1,848,864
Debt due within one year	-	(8,333)	(8,333)
Debt due after more than one year	<u>-</u>	<u>(241,667)</u>	<u>(241,667)</u>
Net Cash/(funds)	<u>160,830</u>	<u>1,438,034</u>	<u>1,598,864</u>

	<b>At 1 April 2019 £</b>	<b>Financing cash flows £</b>	<b>At 31 March 2020 £</b>
Cash at bank and in hand	<u>359,799</u>	<u>(198,969)</u>	<u>160,830</u>
Net Cash/(funds)	<u>359,799</u>	<u>(198,969)</u>	<u>160,830</u>

### 23 Related party transactions

There were no related party transactions in the year.