

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 2022

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

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

## **Reference and Administrative Details**

**Trustees** Mr A MacConachie OBE,DL, Hon DBA Honorary President, (not a director)  
Mrs C S Charlton (Chair)  
Col N C T Millen OBE  
Mrs S Warr  
Mr C J Clinkard  
Mr A I Spurr  
Councillor C C B Hughes  
Mr M W Brown  
D Murphy (appointed 30 November 2021)  
Dr H Byrne (resigned 30 November 2021)  
Dr H McLeish (resigned 30 November 2021)

**Secretary** Mrs N J Myers

**Key Management Personnel** Jane Bradshaw, Chief Executive Officer  
Nicola Myers, Finance Director  
Diane Farrell, Registered Manager  
Deborah Robins, Director of Care

The charity is incorporated in England and Wales.

**Charity Registration Number** 518394

**Company Registration Number** 02080756

**Registered Office** The Woodlands  
Woodland Road  
Darlington  
Durham  
DL3 7UA

**Bankers** Barclays Bank plc  
Darlington  
31 High Row  
Darlington  
Co Durham  
DL3 7QS

**Auditor** Azets Audit Services  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

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

## **Trustees' Report**

### **Statement from the Chief Executive**

As we move tentatively into a new world of 'living with Covid' St Teresa's Hospice like all healthcare providers is having to adapt in order to ensure its essential services remain safe, caring, responsive, effective and well-led. Across all of these domains, the last two years has challenged our assumptions and at times tested our resilience.

Throughout this turbulent time the Hospice team - from the Board of Trustees, through to the clinical, office and support teams have kept safe access and quality experience at the top of their agenda. With frequently changing guidance, our teams have been successful in not only maintaining the delivery of all Hospice services but also make sure they maintain the person centred, welcoming and compassionate environment that those in our care need and deserve.

This second year of the Covid 19 pandemic has seen us gain confidence in our digital capability, strengthen our connections the community and reposition some of our services to have the greatest impact for those in the highest need. Covid 19 has heightened existing healthcare inequalities and this is something we have sought to confront head on in collaboration with our partners to help us learn what more we can do to reduce barriers to access and ensure our specialist-level palliative and end of life care services are available and accessible to all members of our community.

This spirit of collaboration and shared learning has taken other areas of our work forward this year. From our work with the Hospice North East & North Cumbria Collaborative through to representing hospice care in the NHS Yorkshire and North East Strategic Clinical Network and regular involvement with Hospice UK Project Clinical Echo network, we have continued to look outwards to share our own best practice and find others who might inspire us to improve further.

Closer to home, our internal governance and assurance frameworks adapted and evolved in response to the continuing pandemic. We are pleased to find these working well with timely and accurate data available at appropriate levels in our organisation. Alongside the overwhelmingly positive outcome data from those we care for and strong satisfaction ratings from our staff, family and friends survey we are able to take a good level of assurance that both our regulatory compliance and charitable impact is delivering the benefits we all expect.

Despite all of this success, we are acutely aware the difficulties many in our workforce have faced. The relentless pressure of work during the pandemic alongside immense global problems we see in the news every day, affects us all and as a charitable hospice we have sought to help where possible through our staff wellbeing programme, open communications, flexibility and emotional support. The national problem of sustainable hospice funding as yet remains unsolved but we are closely involved at local, regional and national levels positively influencing policy making in order to protect this service that our community tell us is so important to themselves and their loved ones.

This coming year remains an uncertain one for all of us. The next stages of Covid, NHS recovery programmes, inflation, fundraising pressures, increasing costs. We are fortunate to be going into this in a strong position with a clear purpose and an ambition to help even more people get the quality care that makes such an important difference to the lives of those we are here for.

**David Smith, Chief Executive Officer**



# **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 2022.

### **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.

#### ***Recruitment and appointment of Trustees***

Recruitment to Trusteeship is achieved by identifying and approaching potential members. The aim is to create a Board that offers St Teresa's diversity of skills and expertise and a balance of viewpoints.

#### ***Induction and training of Trustees***

All new Trustees of the charity meet with the Chair of the Board and Chief Executive, where new Trustees are briefed on their legal obligations. 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.

All Trustees give their time voluntarily and receive no benefits from the charitable company.

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

The Board consists of nine Trustees who meet regularly throughout the year to oversee the general and strategic direction and policy of the charity and to review its overall management and control for which they are legally responsible. The Trustees review risks to the Charity on a regular basis, as part of the administration of the Charity. Various sub-committees including clinical governance, finance, remuneration, retail and HR & workforce development meet as appropriate to discuss relevant issues. All sub-committees report back to the Board and have Trustee representation. 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. They ensure compliance with the regulations of the Care Quality Commission, the Charities Act, Companies House, Health & Safety and Employment Law etc.

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

## **Trustees' Report**

### **Pay policy for key management personnel**

The Remuneration Group has delegated authority to review the Hospice staff remuneration, taking contextual factors and comparisons with similar jobs into account, in order to give assurance to the Board of proper processes.

In 2021/22 the HR Manager conducted a pay review project to review the current pay structure. This included consideration of how to overcome the problems presented by the National Living Wage increase which has eroded the gap between salaries at the lower end of the payscale. This was all considered of course within the backdrop of a huge deficit budget. A variant of the new pay scale was implemented from April 2022.

### **Staff**

St Teresa's is committed to encouraging equality, diversity and inclusion among our workforce, and eliminating unlawful discrimination.

The aim is for our workforce to be truly representative of all sections of society and for each employee to feel respected and able to give their best. We are a Disability Confident Employer. We are committed to employing and retaining disabled people, and we encourage applications from all sectors of the community.

Staff experience is measured in three ways:

- Accurate monitoring, reporting and review of sickness levels.
- Confidential annual staff experience survey.
- Line management support including 1:1 contact meetings and the annual appraisal process.

### **Volunteers**

Volunteers offer their skills, experience, expertise and time to every department in the Hospice and form an important part of St Teresa's workforce. We recognise their commitment and their value. The Board of Trustees who have uppermost authority for controlling the activities of the Hospice are volunteers.

### **Relationships with related parties**

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 after tax of the Lottery, available for distribution.

### **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.

#### **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.

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

## **Trustees' Report**

### ***Our Values***

The Hospice exists to enhance the quality of life for those suffering from life-limiting illness, and offers specialist palliative care and support to patients and carers, in the belief that each person is entitled to dignity and choice within the best provision of care. Our 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).

### ***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 confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have due regard to the public benefit guidance published by the Charities Commission. The Trustees have considered this guidance in shaping the charitable company's objectives for the year and planning current and future activities.

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.

### ***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:

- 6 Bedded Inpatient Unit
- Day Hospice Service; a telephone "keeping in touch" service was initiated
- Hospice Home Care
- Rapid Response Service
- Lymphoedema Service
- Family Support (including counselling, specialist social work and bereavement care)
- Complementary Therapies

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

## **Trustees' Report**

### **Achievements and performance**

In the 2021 report, we set out four aspirations for improvements to our services. Despite the constraints forced on us by the pandemic, some considerable progress has been made as detailed below.

- **Link Practitioner Programme**

Status: Achieved

We recognise that developing link practitioner roles is an ongoing continuous process, which enables staff to develop areas of interest to enhance patient care.

We have made good progress and now have staff developing link roles in safeguarding, falls, infection control, moving and handling and tissue viability.

- **To Explore Digital Options to Enhance Engagement with Patients and Families.**

Status: Achieved

Over the past year, in consultation with service users and stakeholders, we have built a user-friendly, online portal that offers a range of resources, aimed at enabling people to access specialist information to positively enhance their holistic health and wellbeing. Presented in a variety of formats, this toolkit can be used as a standalone resource to support people in their self-care or, as we discovered during lockdown, it can be used as a platform to share information as an extension to, albeit virtual, direct contact.

As the portal developed, we recognised its potential beyond the pandemic as a resource to enhance face-to-face services and/or as a toolkit of supportive information for a wider range of service users. We are now working to integrate digital resources into some face-to-face sessions to form a hybrid model of care. Furthermore, we have added a restricted section for "professional resources" which began with uploads from our recent bereavement training with schools.

Going forward we have plans to promote this resource to a wider audience and are constantly building up the content of the portal as new face-to-face groups and activities evolve in our Woodland's Wellbeing Hub.

- **Further Competence Development**

Status: Achieved

We are working using audit and staff collaboration to constantly improve and add to our competency portfolio. Areas where we have further improved competency include medicine management, staff administration of oxygen, infection control and transcribing.

We recognise the importance of this and will continue to develop new competencies for all roles.

- **Improvement based on a comprehensive review of the audit system ensuring link up with the corresponding policies and standard operating procedures (SOPs).**

Status: Ongoing

During 2021-2022 an emphasis was made to ensure that all audits had a corresponding policy and SOP, in essence if they did not, then the audit was recorded with a red, Red-Amber-Green (RAG), rating. We strengthened our internal audit group, which now consists of ten staff spread across all disciplines and they all received external certified training. A plan was formulated to ensure that all policies will be identified and audited in the coming year 2022-2023.

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

## **Trustees' Report**

We have further identified aspirations for the next year in our Annual Quality Account as follows:

- **Develop A Service User Consultation Forum**

Patients and carers are at the heart of all we do so it is essential that we continue to improve how we capture people's lived experience in order to inform service development and delivery, and continuously improve the quality of our care. Alongside the various platforms we already use to gather feedback, we plan to develop a new Consultation Forum to draw upon the experience of those who use, or have used, our services and, crucially, better engage with communities who are currently under represented in hospice care. To achieve this we will introduce a series of informal events to give people opportunities to offer direct feedback on existing services, discuss service development proposals, review service promotion materials and generate new ideas for service improvement.

- **Develop a New Model for Day Services**

In 2021, in consultation with service users and stakeholders, we began to re-imagine our day services' model with the aim of supporting people's holistic wellbeing; empowering patients to live as independently and fully as possible, and to cope constructively with deteriorating health. We were especially keen to breakdown real or perceived barriers to people accessing palliative care services and create a model that is collaborative, sustainable, responsive and innovative.

Moving forward, we plan to rebrand The Woodlands, as a Wellbeing Centre, and develop a wider choice of services designed to offer people the skills, knowledge and/or confidence to manage the challenges and changes associated with living with a palliative illness. Activities will include bespoke exercise and tai-chi classes, alongside mindfulness courses and peer support groups. Working in partnership with other organisations, there are also plans to hold specialist groups for people with respiratory and cardiac disease or dementia alongside a new education programme for those diagnosed with Multiple Sclerosis (MS).

- **Develop a New Model for Specialist Clinical Services**

Following the retirement of the Nurse Consultant the team used the opportunity to review the service and take some time to improve the previous model. We aim to provide a blended approach to the specialist team by:

- Recruiting a Clinical Nurse Specialist (CNS) to work together with our existing CNS.
- Developing existing staff to become CNS.
- Recruiting a GP with an interest in palliative care.

We believe that this is a long term project which may not be completed until May 2024.

### **Other plans for the future**

Jane Bradshaw, Chief Executive, announced her intended retirement in 2021 and after leading the Hospice for over twenty five years, she stepped down from her post at the end of March 2022. St Teresa's has entered into a collaboration with Teesside Hospice and commissioned the services of their Chief Executive, David Smith. Teesside and St Teresa's have worked together for many years and David Smith will head up both Hospices which will remain separate entities as they continue to serve their respective individual communities.

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

## **Trustees' Report**

### **The Care Quality Commission**

St Teresa's Hospice is required to register with the Care Quality Commission (CQC) and its current registration status is for the following regulated activities:

- Diagnostic and screening procedures
- Treatment of Disease, disorder or injury
- Personal Care

St Teresa's Hospice is registered with the following conditions:

- Services are provided for people over 18 years old

St Teresa's Hospice is subject to periodic and unplanned reviews by the CQC, the last on-site inspection was in May 2016. St Teresa's Hospice was fully compliant with all the essential standards of quality and safety as set out in the CQC registration and the Health and Social Care Act.

The CQC rates providers and the Hospice received an overall rating of Good in all five areas of inspection. This means that all of the Hospice services are attaining a high standard across all five key lines of enquiry: Are services safe? Are services effective? Are services caring? Are services responsive? Are services well led?

The CQC has not taken any enforcement action during 2021-2022 and St Teresa's Hospice has undergone a Transitional Monitoring Approach (TMA) assessment in October 2021 followed by an engagement meeting in January 2022, where it received very positive feedback on its service delivery and innovative developments. The Hospice continues to baseline current activity against CQC regulations as they are published, and produces a development plan as necessary, for any new inspection framework.

A comprehensive annual Quality Account is published on the charity's website.

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

2021-22 was the second year of the Covid-19 pandemic and while its impact was not as severe as in 2020-21 it nonetheless continued to have a significant impact on both our income generation activities as well as our charitable services. We commenced the year with a deficit budget of £374,307, however, the outcome for the year was a surplus of £1,014,008 (2021: surplus of £1,838,438). We received further financial support from the Government via Hospice UK to provide bed capacity to the wider health sector should that be required. This support has now ceased (31st March 2022). Furthermore, for the second year running we were in receipt of an unusually high value of legacy donations. Both of these have resulted in this hugely positive financial result. However, these are non-recurrent income sources which will not be available to the Hospice in future years.

Considering 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 higher than the previous year (2021/22 £179,422). 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. It has been another year of navigating an ever-changing environment which had a dramatic impact on our resources and ability to carry out activity in the way we had planned. The Rainbow Rush was the first in-person fundraising event since the outbreak of Covid-19 and proved a success. The Santa Run and the Hospice Ball were also very well supported. 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. However, the income from trusts was significantly lower than the previous year when trust funders proved to be very generous in response to the crisis. Also in the previous year we were fortunate enough to receive £100,000 income from the hugely successful Hugs Appeal. As a result, income from events and trusts was lower than the previous year (2021/22 £361,342).

Donations from the North East Hospices Lottery (NEHL) show a very slight decrease on the previous year (2021/22 £64,913).

Although unpredictable in nature, legacy income provides a valuable resource to the charity; in the year the Hospice was notified of and recognised over £703,079 in legacy donations which had been bequeathed to the Hospice. 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 a challenging year as lockdown restrictions were lifted at the start of the year and our charity shops were allowed to reopen as part of non-essential retail. The dedicated retail staff and volunteer team worked tirelessly to get the shops prepared for opening. It took time for shoppers' confidence levels and therefore footfall to recover and retail reported income of £598,620 for 2021/22. This was in line with the conservative budget prepared at the start of the financial year. However, the expenditure was higher than the budget and hence profitability was significantly lower and considerably down on pre-pandemic levels.

Investment income was similar to the previous year (2021/22 £1,347).

Expenditure was largely in line with budget and was higher than the previous year. The average head count of employees increased from 112 in 2020/21 to 122. 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.**

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

## **Trustees' Report**

In 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 following the aftermath 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. The cash position is extremely healthy at the end of the year, however, with the Government support now ceased and large deficit budgets forecasted reserves are being relied on heavily whilst we work through the current economic challenges and the reviews being carried out by the NHS.

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 2022.

### **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 at least six months operational costs should be created. This would equate to a reserve in the range of £1.1m to £1.5m as at 31st March 2022.

The actual free reserves currently held at 31st March 2022 amounted to £3,599,052 (2021: £2,562,999) calculated as follows: Unrestricted cash of £2,604,201 plus Debtors of £1,244,956 less Current Creditors of £250,105.

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.

### **Risk management**

Keeping patients, families, staff and visitors safe is a fundamental principle at St Teresa's and as such, risk management is firmly embedded in the culture and structure of the organisation.

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 Board has reviewed the major strategic, business and operational risks to which the Hospice is exposed and has produced a corporate risk register. Across the Hospice we have a culture of monitoring adverse events, complaints and feedback as a way to monitor risk.

### **Going Concern**

Forecasts have been prepared covering 12 months from the date of signing these financial statements. Trustees are satisfied that there are no material uncertainties in respect of going concern. Further detail is given in the Notes section.



# 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

Azets Audit Services Limited, trading as Azets Audit Services, were appointed auditor to the company following their acquisition of the trade of Tait Walker LLP, trading as MHA Tait Walker, on 1 May 2022.

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Azets Audit Services 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 ...24/11/22 and signed on its behalf by:

  
.....  
Mrs N J Myers  
Company Secretary

  
.....  
Mr M W Brown  
Trustee

# **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 2022, 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 2022 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 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 the provisions available for small entities, in the circumstances set out in note to the financial statements, 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.

## **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**

We have nothing to report in this regard.

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

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

- the information given in the Trustees' 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 charity 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 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  
Azets Audit Services  
Chartered Accountants  
Statutory Auditor  
Bulman House  
Regent Centre  
Gosforth  
Newcastle upon Tyne  
NE3 3LS

Date: 1/12/2022

Azets Audit Services is a trading name of Azets Audit Services Limited

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

### Statement of Financial Activities for the Year Ended 31 March 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted £	Restricted £	Total 2022 £	Total 2021 £
<b>Income and Endowments from:</b>					
Donations and legacies	3	2,670,167	563,977	3,234,144	4,252,434
Other trading activities	4	598,620	-	598,620	195,649
Investment income	5	1,347	-	1,347	1,316
Other income	6	153,819	-	153,819	120,862
Total Income		<u>3,423,953</u>	<u>563,977</u>	<u>3,987,930</u>	<u>4,570,261</u>
<b>Expenditure on:</b>					
Raising funds		(203,537)	-	(203,537)	(184,915)
Charitable activities	7	<u>(2,196,228)</u>	<u>(574,157)</u>	<u>(2,770,385)</u>	<u>(2,546,908)</u>
Total Expenditure		<u>(2,399,765)</u>	<u>(574,157)</u>	<u>(2,973,922)</u>	<u>(2,731,823)</u>
Net income/(expenditure)		<u>1,024,188</u>	<u>(10,180)</u>	<u>1,014,008</u>	<u>1,838,438</u>
Net movement in funds		1,024,188	(10,180)	1,014,008	1,838,438
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>4,304,762</u>	<u>874,797</u>	<u>5,179,559</u>	<u>3,341,121</u>
Total funds carried forward	20	<u>5,328,950</u>	<u>864,617</u>	<u>6,193,567</u>	<u>5,179,559</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 2021

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

	Note	Unrestricted £	Restricted £	Total 2021 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	3,230,636	1,021,798	4,252,434
Other trading activities	4	195,649	-	195,649
Investment income	5	1,316	-	1,316
Other income	6	120,862	-	120,862
Total income		<u>3,548,463</u>	<u>1,021,798</u>	<u>4,570,261</u>
<b>Expenditure on:</b>				
Raising funds		(184,915)	-	(184,915)
Charitable activities	7	<u>(2,397,385)</u>	<u>(149,523)</u>	<u>(2,546,908)</u>
Total expenditure		<u>(2,582,300)</u>	<u>(149,523)</u>	<u>(2,731,823)</u>
Net income		966,163	872,275	1,838,438
Transfers between funds		<u>888,833</u>	<u>(888,833)</u>	<u>-</u>
Net movement in funds		1,854,996	(16,558)	1,838,438
<b>Reconciliation of funds</b>				
Total funds brought forward		<u>2,449,766</u>	<u>891,355</u>	<u>3,341,121</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>

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

(Registration number: 02080756)  
Balance Sheet as at 31 March 2022

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	14	2,786,182	2,858,227
<b>Current assets</b>			
Debtors	15	1,244,956	898,949
Cash at bank and in hand		<u>2,604,201</u>	<u>1,848,864</u>
		3,849,157	2,747,813
<b>Creditors: Amounts falling due within one year</b>	16	<u>(250,105)</u>	<u>(184,814)</u>
<b>Net current assets</b>		<u>3,599,052</u>	<u>2,562,999</u>
<b>Total assets less current liabilities</b>		6,385,234	5,421,226
<b>Creditors: Amounts falling due after more than one year</b>	17	<u>(191,667)</u>	<u>(241,667)</u>
<b>Net assets</b>		<u>6,193,567</u>	<u>5,179,559</u>
<b>Funds of the charity:</b>			
<b>Restricted</b>		864,617	874,797
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>5,328,950</u>	<u>4,304,762</u>
<b>Total funds</b>	20	<u>6,193,567</u>	<u>5,179,559</u>

The financial statements on pages 15 to 35 were approved by the Trustees, and authorised for issue on 24/11/22 and signed on their behalf by:

  
.....  
Mr M W Brown  
Trustee



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

## Statement of Cash Flows for the Year Ended 31 March 2022

	Note	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Net cash income		1,014,008	1,838,438
<b>Adjustments to cash flows from non-cash items</b>			
Depreciation		93,811	104,051
Investment income	5	(1,347)	(1,316)
Profit on disposal of tangible fixed assets		-	(40,862)
		<u>1,106,472</u>	<u>1,900,311</u>
<b>Working capital adjustments</b>			
Increase in debtors	15	(346,007)	(510,849)
Increase in creditors	16	<u>23,624</u>	<u>52</u>
Net cash flows from operating activities		<u>784,089</u>	<u>1,389,514</u>
<b>Cash flows from investing activities</b>			
Interest receivable and similar income	5	1,347	1,316
Purchase of tangible fixed assets	14	(22,790)	(12,759)
Sale of tangible fixed assets		<u>1,024</u>	<u>59,963</u>
Net cash flows from investing activities		<u>(20,419)</u>	<u>48,520</u>
<b>Cash flows from financing activities</b>			
Value of new loans obtained during the period		-	250,000
Repayment of loans and borrowings	16	<u>(8,333)</u>	<u>-</u>
Net cash flows from financing activities		<u>(8,333)</u>	<u>250,000</u>
Net increase in cash and cash equivalents		755,337	1,688,034
Cash and cash equivalents at 1 April		<u>1,848,864</u>	<u>160,830</u>
Cash and cash equivalents at 31 March		<u>2,604,201</u>	<u>1,848,864</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 2022**

### **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 £3,526,552 including cash of £2,604,201 and made a surplus of £1,014,009. 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. The charity has strong cash and net current assets balances. 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**

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **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.

The charity includes (in its debtors) amounts due from legacies. These are based on best information received prior to completion of the accounts and are only estimates which are subject to change.

### **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.

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

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **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.

### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
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.

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

## **Notes to the Financial Statements for the Year Ended 31 March 2022**

### **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.

### **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 2022

### 3 Income from donations and legacies

	Unrestricted		Total
	General	Restricted	2022
	£	£	£
Donations and legacies;			
Donations and gifts	179,422	-	179,422
Donations from events & trusts	344,872	16,470	361,342
Donations from North East Hospice Lottery	64,913	-	64,913
Legacies	703,079	-	703,079
Grants, including capital grants;			
Grants	1,374,508	103,639	1,478,147
CJRS	3,373	-	3,373
Hospice UK	-	443,868	443,868
	<u>2,670,167</u>	<u>563,977</u>	<u>3,234,144</u>
	Unrestricted		Total
	funds	Restricted	2021
	General	funds	£
	£	£	
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;			
Grants	1,495,496	90,742	1,586,238
CJRS	209,098	-	209,098
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.

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

## Notes to the Financial Statements for the Year Ended 31 March 2022

### 4 Income from other trading activities

	Unrestricted funds General £	Total funds £	Total 2021 £
Trading income;			
Shop income from sale of donated goods and services	598,620	598,620	195,649
	<u>598,620</u>	<u>598,620</u>	<u>195,649</u>

### 5 Investment income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Interest receivable and similar income;			
Interest receivable on bank deposits	1,332	1,332	1,316
Other investment income	15	15	-
	<u>1,347</u>	<u>1,347</u>	<u>1,316</u>

### 6 Other income

	Unrestricted funds General £	Total 2022 £	Total 2021 £
Other income	11,690	11,690	-
Gains on sale of tangible fixed assets for charity's own use	-	-	40,862
Insurance income	142,129	142,129	80,000
	<u>153,819</u>	<u>153,819</u>	<u>120,862</u>

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

### Notes to the Financial Statements for the Year Ended 31 March 2022

#### 7 Expenditure on charitable activities

	Unrestricted funds General £	Restricted funds £	Total 2022 £	
Out Patient and operational costs	285,967	466,638	752,605	
Home care	359,724	107,519	467,243	
In Patient unit	642,042	-	642,042	
Shop expenses	565,180	-	565,180	
Governance costs	343,315	-	343,315	
	<u>2,196,228</u>	<u>574,157</u>	<u>2,770,385</u>	
	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	
	<u>2,397,385</u>	<u>149,523</u>	<u>2,546,908</u>	
	Activity undertaken directly £	Activity support costs £	2022 £	2021 £
Out Patient and operational costs	413,707	446,417	860,124	830,137
Home care	359,724	-	359,724	330,061
In Patient unit	642,042	-	642,042	650,000
Shop expenses	565,180	-	565,180	435,590
Governance Costs	-	343,315	343,315	301,120
	<u>1,980,653</u>	<u>789,732</u>	<u>2,770,385</u>	<u>2,546,908</u>

In addition to the expenditure analysed above, there are also governance costs of £343,315 (2021: £301,120) 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 2022

### 8 Analysis of support costs

#### Support costs allocated to charitable activities

	<b>Governance costs</b>	<b>Other support costs</b>	<b>Total 2022</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Staff costs	289,739	101,496	391,235
Running costs	20,621	210,152	230,773
Human resources	11,294	-	11,294
Finance costs	3,992	-	3,992
Travel costs	-	30,177	30,177
Depreciation	-	93,810	93,810
Training	-	10,782	10,782
Legal & professional	17,669	-	17,669
	<b>343,315</b>	<b>446,417</b>	<b>789,732</b>
	<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
	<b>301,120</b>	<b>381,034</b>	<b>682,154</b>



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

## Notes to the Financial Statements for the Year Ended 31 March 2022

### Raising funds expenditure

#### Costs of generating donations and legacies

	Unrestricted		
	General	Total	Total
	£	2022	2021
		£	£
Wages and salaries	95,697	95,697	118,504
Employer's NIC	7,109	7,109	7,461
Pension Costs	3,133	3,133	2,838
Other motor/travel costs	146	146	-
Cost of events	82,416	82,416	41,500
Publications & advertising	15,036	15,036	14,612
	<u>203,537</u>	<u>203,537</u>	<u>184,915</u>

### 9 Net incoming/outgoing resources

Net incoming resources for the year include:

	2022	2021
	£	£
Operating leases - plant and machinery	39,780	112,051
Audit fees	6,100	6,100
Profit on disposal of tangible fixed assets	-	(40,862)
Depreciation of fixed assets	<u>93,811</u>	<u>104,051</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 2022**

#### **11 Staff costs**

The aggregate payroll costs were as follows:

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	1,971,082	1,875,962
Social security costs	141,071	126,543
Pension costs	102,937	113,985
	<u>2,215,090</u>	<u>2,116,490</u>

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

	<b>2022</b> <b>No</b>	<b>2021</b> <b>No</b>
Employees	<u>122</u>	<u>112</u>

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

The total employee benefits of the key management personnel of the charity were £147,468 (2021 - £161,588).

#### **12 Auditors' remuneration**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
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 2022

### 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 2021	3,636,018	608,686	32,682	4,277,386
Additions	-	22,790	-	22,790
Disposals	-	(55,495)	-	(55,495)
At 31 March 2022	<u>3,636,018</u>	<u>575,981</u>	<u>32,682</u>	<u>4,244,681</u>
<b>Depreciation</b>				
At 1 April 2021	814,439	572,038	32,682	1,419,159
Charge for the year	68,721	25,090	-	93,811
Eliminated on disposals	-	(54,471)	-	(54,471)
At 31 March 2022	<u>883,160</u>	<u>542,657</u>	<u>32,682</u>	<u>1,458,499</u>
<b>Net book value</b>				
At 31 March 2022	<u>2,752,858</u>	<u>33,324</u>	<u>-</u>	<u>2,786,182</u>
At 31 March 2021	<u>2,821,579</u>	<u>36,648</u>	<u>-</u>	<u>2,858,227</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 2021 shows shareholders funds in a surplus of £10 (2020: deficit £176) and a loss for the period amounting to £6 (2020: £180)

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 2022

### 15 Debtors

	2022 £	2021 £
Trade debtors	126,921	290,015
Prepayments	61,033	54,504
Accrued income	1,022,278	524,540
VAT recoverable	34,724	29,890
	<u>1,244,956</u>	<u>898,949</u>

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

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

	2022 £	2021 £
Bank loans	50,000	8,333
Trade creditors	97,570	84,247
Other taxation and social security	68,846	28,029
Accruals	33,689	64,205
	<u>250,105</u>	<u>184,814</u>

	2022 £	2021 £
Deferred income at 1 April 2021	17,518	1,999
Resources deferred in the period	1,999	17,518
Amounts released from previous periods	(17,518)	(1,999)
Deferred income at year end	<u>1,999</u>	<u>17,518</u>

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

	2022 £	2021 £
Bank loans	<u>191,667</u>	<u>241,667</u>

During the prior 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 2022

### 18 Obligations under leases and hire purchase contracts

#### Operating lease commitments

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

	2022 £	2021 £
<b>Land and buildings</b>		
Within one year	25,000	38,750
Between one and five years	50,000	75,000
	<u>75,000</u>	<u>113,750</u>
<b>Other</b>		
Within one year	825	1,042
Between one and five years	975	1,788
	<u>1,800</u>	<u>2,830</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 £102,937 (2021 - £113,985).

Contributions totalling £3,299 (2021 - £3,976) were payable to the scheme at the end of the year and are included in creditors.

### 20 Funds

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
<b>Unrestricted funds</b>				
<b>General</b>				
General funds	4,304,762	3,423,953	(2,399,765)	5,328,950
<b>Restricted funds</b>				
IPU Grants	130,045	-	(2,890)	127,155
NHS England Grant	700,000	-	-	700,000
Department of Working Pensions Grant	237	-	(188)	49
County Durham Community Foundation	330	-	(330)	-
Darlington Borough Council Homecare (NHS)	-	55,769	(55,769)	-
Children in Need	8,381	-	(192)	8,189

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

### Notes to the Financial Statements for the Year Ended 31 March 2022

	Balance at 1 April 2021 £	Incoming resources £	Resources expended £	Balance at 31 March 2022 £
William Webster Charitable Trust	2,740	-	(77)	2,663
Finlay Cooper Fund	7,742	-	(220)	7,522
ASDA Foundation	6,863	-	(539)	6,324
Catherine Cookson Charitable Trust	1,811	-	(1,374)	437
Ingenious Darlington Latimer Hinks	2,940	-	(2,940)	-
Wolfson Suite grant	7,271	-	(2,013)	5,258
DBC Carer Breaks Funding	-	3,880	(3,880)	-
Dhananjay Kelkar Fund	883	-	(265)	618
County Durham - Darlington Covid Fund	5,256	-	(3,858)	1,398
Screwfix Foundation	298	-	(91)	207
Hospice UK	-	443,868	(443,868)	-
Hospital Saturday Fund	-	2,000	(500)	1,500
Hadrian Trust	-	2,000	(2,000)	-
Hedley Foundation	-	2,500	(203)	2,297
Grant Lodge of Mark Master Mason	-	1,000	(1,000)	-
B&Q Foundation	-	1,690	(1,690)	-
Sir John Priestman Charity Trust	-	2,400	(2,400)	-
Darlington Women's Group	-	1,000	-	1,000
Kickstart Grant and Scheme	-	47,870	(47,870)	-
<b>Total restricted funds</b>	<b>874,797</b>	<b>563,977</b>	<b>(574,157)</b>	<b>864,617</b>
<b>Total funds</b>	<b>5,179,559</b>	<b>3,987,930</b>	<b>(2,973,922)</b>	<b>6,193,567</b>

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 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 2022**

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 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 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 2022**

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 2021/22 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.

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.

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 2022

### 21 Analysis of net assets between funds

	Unrestricted General £	Restricted £	Total funds £
Tangible fixed assets	1,921,565	864,617	2,786,182
Net current assets/(liabilities)	3,599,052	-	3,599,052
Creditors over 1 year	(191,667)	-	(191,667)
Total net assets	<u>5,328,950</u>	<u>864,617</u>	<u>6,193,567</u>

  

	Unrestricted General £	Restricted £	Total funds at 31 March 2021 £
Tangible fixed assets	1,983,430	874,797	2,858,227
Net current assets/(liabilities)	2,562,999	-	2,562,999
Creditors over 1 year	(241,667)	-	(241,667)
Total net assets	<u>4,304,762</u>	<u>874,797</u>	<u>5,179,559</u>

### 22 Analysis of net funds

	At 1 April 2021 £	Financing cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,848,864	755,337	2,604,201
Debt due within one year	(8,333)	(41,667)	(50,000)
Debt due after more than one year	(241,667)	50,000	(191,667)
Net debt	<u>1,598,864</u>	<u>763,670</u>	<u>2,362,534</u>

  

	At 1 April 2020 £	Financing cash flows £	At 31 March 2021 £
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	-	(241,667)	(241,667)
Net debt	<u>160,830</u>	<u>1,438,034</u>	<u>1,598,864</u>

### 23 Related party transactions

There were no related party transactions in the year.