



SPRINGHILL
HOSPICE

Making every moment count

SPRINGHILL HOSPICE (ROCHDALE)
TRUSTEES' REPORT AND CONSOLIDATED FINANCIAL
STATEMENTS
FOR THE YEAR ENDED 31ST MARCH 2021



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Officers and Professional Advisors

Trustees and Officers

TRUSTEES

CHAIR

The late Robert Clegg OBE
(until 26 September 2021)

INTERIM CHAIR

Mrs Lesley Mort

HON. TREASURER

Ms Julia Heap

Mr Sultan Ali

Mrs Susan Blundell

Rt Rev Mark Davies

Miss Kitsa Efthymiadis

Mrs Carol Hopkins

Ms Ratna Mukerjee

(resigned 12 October 2020)

Dr Robert Namushi

Dr Usman Ahmed

Company Secretary

Ms Rebecca Davis

Key Management Personnel

CHIEF EXECUTIVE

Samantha Wells

**DEPUTY CEO AND
DIRECTOR OF CLINICAL SERVICES**

Sheila Johnson

MEDICAL DIRECTOR

Dr Christopher Pick

Professional Advisors and Registered Office

SOLICITORS

Molesworth Bright Clegg

Octagon House
25-27 Yorkshire Street
Rochdale
Lancashire OL16 1RH

AUDITOR

PKW Chartered Accountants LLP

Cloth Hall
150 Drake Street
Rochdale
Lancashire OL16 1PX

BANKER

The Royal Bank of Scotland

Manchester Commercial,
3rd Floor, 38 Mosley Street
Manchester M3 3AZ

PENSION ADVISORS

Cullen Wealth

2 Riverview, Vale Road
Heaton Mersey
Cheshire SK4 3GN

ACCOUNTANTS & VAT ADVISORS

Beever & Struthers

St George's House
215-219 Chester Road
Manchester M15 4JE

REGISTERED & PRINCIPAL OFFICE

Springhill Hospice (Rochdale)

Broad Lane
Rochdale
Lancashire OL16 4PZ

SPRINGHILL HOSPICE (SERVICES) LIMITED

Subsidiary of Springhill Hospice (Rochdale)

SPRINGHILL HOSPICE (LOTTERY) LIMITED

Subsidiary of Springhill Hospice (Services) Limited

Trustees' Report (including the Strategic Report)

The Trustees of Springhill Hospice (Rochdale), who are also Directors of the company for the purposes of the Companies Act 2006, submit their annual report, together with the financial statements and auditor's report for the year ended 31 March 2021.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland published in October 2019.

CONSTITUTION AND GOVERNING DOCUMENTS

Springhill Hospice (Rochdale) is a company limited by guarantee (Company No 02325905), and is registered as a charity under the Charities Act 1960 (Registered Charity No 701798). The company was incorporated on 7 December 1988 and is governed by a Memorandum and Articles of Association. The company is run by a Board made up of Trustees (Directors). Every Trustee undertakes to contribute to the assets of the company in the event of it being wound up during the time he/she is a Trustee or within one year afterwards. The amount that may be required will not exceed £1 (one pound) for payment of the debts and liabilities of the company contracted before the time when he/she ceases to be a Trustee.

The names of Trustees that served during and after the year to 31st March 2021 can be found on page 3 to these accounts. Trustees are appointed for a term of three years and are eligible for re-election at the AGM of the appropriate year.

AIMS AND OBJECTIVES

The object of the charity, as set out in its Memorandum and Articles of Association, is to promote the relief of illness and suffering in the Heywood, Middleton and Rochdale area.

Springhill Hospice provides multi-professional palliative and end of life services and has its operational site on Broad Lane, Rochdale. The range of services that Springhill Hospice (Rochdale) provides are inpatient, day therapy and community services. A 24 hour advice line is available to healthcare professionals, patients and carers in the Heywood, Middleton and Rochdale area.

The activities undertaken during the period to meet these objectives were affected by the Covid-19 pandemic and the attendant restrictions in force in England. The activities were:

- Provision of 12 beds in the usually 16 bedded inpatient unit providing 24 hour medical and nursing care
- A 'virtual' Day Hospice run online
- In liaison with NHS and other partners, the provision of community care for those patients being supported at home
- Bereavement support for relatives following loss
- Counselling services via telephone from a qualified therapist for patients, carers and relatives
- A 24 hour palliative care advice line for patients, carers and professional staff

- Provision of a dedicated education unit for staff training and to provide education in palliative care to the local clinical community. Courses were run online.

The Hospice also carries out various fundraising activities and initiatives to generate donations and financial support in order to support its charitable activities.

Springhill Hospice (Services) Limited is a subsidiary company of the Hospice and generates funds for the Hospice through retail shops and fundraising activities.

Springhill Hospice (Lottery) Limited, a subsidiary of Springhill Hospice (Services) Limited, generates income for the Hospice through the provision of a weekly lottery; the lottery is managed on its behalf by StarVale Management & Technologies Limited.

FUNDRAISING STANDARDS INFORMATION

Springhill Hospice is committed to practising the highest standards of income generation and ensuring all activity reflects the Hospice's values. Springhill is registered with the Fundraising Regulator, and has made a commitment to adhere to all recognised standards and requirements outlined in the Code of Fundraising Practice when planning or undertaking fundraising initiatives. The standards addressed in the Code of Fundraising Practice underpin all aspects of fundraising undertaken by the Hospice, and comprise a number of fundraising streams including: Key Principles and Behaviours; Working with Volunteers; Working with Children; Working with Third Parties; Fundraising Communications and Techniques Direct Marketing; Telephone; Digital Media; Trusts; Major Donors; Corporate Partnerships; Raffles and Lotteries; Fundraising through Payroll Giving; Events; Public Collections; Static Collections; Legacies; Payment of Fundraisers and Handling of Donations. In addition, donations received are processed following the Hospice's internal financial procedures in line with the Charity Commission.

All income services activities are undertaken within charity law, meeting Charity Commission guidelines, Fundraising Regulator codes of practice, HMRC rules, The Gambling Commission standards and Gambling Act, local licensing laws, Advertising Standards and the General Data Protection Regulation and Data Protection Act. Springhill does not condone and never employs aggressive fundraising tactics. All contact with donors is always conducted in a caring and professional manner, in line with Springhill's values.

Springhill Hospice is committed not only to meeting the minimum standards set out within legislation and codes of practice, but also aspiring to reach a higher level of supporter care, being advocates of the superb care delivered at the Hospice and mirroring this with our current donors and new supporters. As part of this commitment, the Income Generation Team are active members of the Chartered Institute of Fundraising (CioF), the Hospice Income Generation Network (HIGN), the Hospice Lottery Association (HLA) and the Charity Retail Association (CRA), which support the Hospice's commitment and development to working ethically and responsibly, using best practice when communicating with our donors and supporters.

The Finance Committee monitors the activities of the Income Generation Team, on behalf of the Board of Trustees. The Head of Income Generation and Marketing attends each quarterly meeting of the Committee and reports progress on income raised from fundraising, shops and lottery, as well as progress on the Fundraising Strategy.

During the year we received two complaints about our income generation activity. Of these, two related to retail activity, none (zero) to lottery activity and none (zero) to fundraising activity. All were investigated and dealt with through the Hospice's Complaints Policy and reported to the Trustees

through the Governance, Audit and Employment Committee. Wherever possible, the Hospice seeks to learn from the feedback received in complaints in order to improve its policies and ways of working.

In order to ensure that we protect vulnerable people and other members of the public from any unreasonable behaviour or undue pressure, alongside our Privacy Policy, we commit to:

- Adhere to the Fundraising Regulator's Code of Practice and the Fundraising Promise.
- Promptly action any requests for removal from our mailing lists and database.
- Not sell or pass on the data of any of our donors and supporters to any third parties.
- Only use professional fundraising agencies who can demonstrate a track record of best practice in the sector and compliance with the Fundraising Regulator and other appropriate sector bodies.

PUBLIC BENEFIT STATEMENT

In setting our objectives and planning our services, the Trustees of Springhill Hospice (Rochdale) have given careful consideration to the Charity Commission's general guidance on public benefit. Springhill Hospice (Rochdale) provides Hospice services free of charge to those individuals aged over 18 years with life-limiting illness living in and bordering the Rochdale Borough area and also provides supportive care for their families and carers. Our care services are available, without restriction, to all groups in the communities we serve.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

We continue to work alongside our neighbouring Hospices across Greater Manchester, as part of the Greater Manchester Hospices Group, working together more strategically and influencing the provision and delivery of Specialist Palliative Care and End of Life Care services across Greater Manchester, whilst retaining our identity and individuality.

The Group's intention is for Hospices to work together to help shape the vision and delivery of Greater Manchester's Palliative and End of Life Strategy, to promote the work Hospices do across Greater Manchester, and to influence and shape the future commissioning of Hospice and Palliative Care services.

CLINICAL SERVICES

The table details the key statistics for service provision in the years ended 31st March 2021 and 2020

Inpatient Services	2020/21	2019/20
Registered inpatient beds	16	16
Available inpatient beds	12	16
Occupied bed days	2,038	3,401
Average length of stay (days)	9.81	7.6
Patient admissions	220	355
 Community Services		
Patients referred	593	525
Total visits from the community team	5,939	5,139
 Day Hospice Services		
Registered weekly day hospice places	64	64
Available weekly day hospice places	64	64
Day hospice operational days per week	4	4
Total day hospice attendances	-	1,579
Virtual interventions	664	-
 Educational Services		
Course Attendees	540	1,450

Inpatient Services

The Inpatient unit has 16 beds but this has been reduced to 12 since the outbreak of the Coronavirus pandemic in order to nurse patients in isolation and reduce the risk of transmission of the virus.

Occupied bed days in the year decreased 40% from 3,401 to 2,038. This was mainly due to the Covid pandemic bed reduction to ensure patient safety. Patient admissions were 220 (2019/20: 355).

Patients are admitted for symptom management, pain relief and end of life care. The medical team and nursing staff continue to work closely together providing the highest standard of care for patients with life limiting illnesses and their families, friends and carers. The staff have had to make significant changes to practice to comply with frequently changing national guidance for Coronavirus. They have maintained an excellent service in spite of all the restrictions, especially providing emotional and psychological support to patients and families when we were unable to allow any visitors. This was distressing for all involved, particularly for patients at the end of life.

The medical team is led by the hospice Medical Director and two full time hospice doctors.

The nursing team is led by the ward sister and one junior ward sister, and comprises 13 registered nurses, one specialist palliative care nurse, four assistant practitioners, two trainee nursing associates and 19 healthcare assistants.

Recruitment of registered nurses is a significant challenge. The Inpatient unit has continued to invest in developing the existing workforce. In addition to the registered nurses and assistant practitioners, one nursing assistant had commenced the Trainee Nursing Associate programme and is due to qualify later this year. A second nursing assistant commenced the programme, and this is already having a positive impact on the delivery of care. Although supervised by registered nurses the Nursing Associates are also able to work autonomously to admit patients, taking responsibility for their care throughout their stay, up to and including arranging their discharges. With additional training on successful completion, this can lead to becoming a registered nurse. They have a clear scope of practice and competencies. This will allow the Hospice to maintain a workforce which can meet current and future demand.

One of the assistant practitioners works alongside the Hospice physiotherapist and assesses patients who need assistance with rehabilitation in order for them to remain as independent as possible. They not only look after patients on the ward, but also in the community and day therapies services. They also follow patients up at home once they have been discharged.

The staff on the inpatient unit continue to provide the 24-hour advice line, taking calls from other professionals, patients, families or carers who require advice any time of the day or night.

Day Hospice Services

The Day Hospice Service at Springhill has, since its inception, followed a traditional model of day hospice services. During the pandemic and subsequent closure in March 2020, we created and offered a virtual service.

We have now developed a more holistic and therapeutic model which will offer a variety of interventions, including a self-management supportive group program, a wellbeing group program, a carer's support group, drop-in sessions, and a dementia support group program. We will also continue to offer a weekly virtual group program. We plan gradually to reopen our new 'Day Therapies' from 19 October 2021, and begin to pilot these new groups.

Counselling Service

The Counselling Service continues to support adults who are experiencing psychological and emotional distress because of their own life limiting illness or the illness of someone significant to them. We receive referrals from our inpatient unit, day services, community services and others including GPs, district nurses and specialist nurses. There is currently no waiting list. Feedback from clients continues to be very positive.

Bereavement Service

The Bereavement Service continues to support families known to the hospice. We also provide a bereavement service to adults in Heywood, Middleton and Rochdale who are not known to the Hospice, who are struggling with grief following a loss due to a diagnosed life limiting condition. This service is funded by Heywood Middleton and Rochdale CCG with a review date of March 2022. Feedback continues to be very positive.

We offer various types of bereavement support including:

- Information about the nature of grief
- One to one bereavement support
- One to one bereavement counselling
- Structured weekly bereavement support groups
- Community bereavement social groups in HMR

Support is provided by trained counsellors, student counsellors, a volunteer counsellor, and trained volunteers.

During the pandemic, for all of 2020-21, face to face sessions were suspended and telephone and video conference sessions were offered. Our community bereavement social groups were suspended. We have now initiated a new training program for all bereavement volunteers as we start to reopen our social groups and start to pilot new bereavement support groups.

The Counselling and Bereavement Service is Accredited by the British Association for Counselling and Psychotherapy (BACP).

Community Services

Springhill Hospice Community Services continue to support patients in their own homes, working alongside GPs, District Nurses and other community service providers. Springhill Hospice community services comprise:

- **Integrated Specialist Palliative Care and End of Life Service**

This service is led by our senior hospice doctor (Community) and is staffed by specialist palliative care nurses operating over seven days, 8:00 – 20:00 Monday to Friday, 8:00 – 16:00 weekends and bank holidays. The team offers support to patients and families in their own homes and is further supported by the hospice physiotherapist, two assistant practitioners (rehabilitation and nursing) and a counsellor.

- **Hospice at Home Service**

The hospice at home team comprises qualified nurses and healthcare assistants who also work on the inpatient unit, and provides care and support to patients at the end of life and their families. The service is designed to offer patients the opportunity to spend their last days or weeks at home, if they choose to do so, and it works closely alongside the district

nursing team The service is available from 8:00 – 21:00 seven days a week, including bank holidays.

- **Night Sitting Service**

This service has been developed to support the families of patients to continue to care for their loved ones at home, enabling carers to get a good night's sleep in the knowledge that their loved one is being cared for, and closely monitored, overnight. The service is available from 22.00-08.00 on allocated nights, according to individual needs.

EDUCATION SERVICE

The Education Unit has continued to provide an in-house training facility for hospice staff to ensure that the organisation meets its obligations for training its staff. As part of the community services program, in addition to the hospice workforce, education is offered free of charge to all health and social care professionals in Heywood, Middleton and Rochdale. Core training is centred on 'The Springhill Palliative Care Education Passport' (SPCEP), and this continued to run via webinars. The passport has been developed by the team to ensure holistic knowledge and key skills are taught to all grades of staff, with supplementary standalone sessions available to enable continued professional development.

FUNDRAISING

The fundraising team aims to secure ongoing support from individuals, schools, community groups, including the Hospice support groups, and businesses, as well as providing assistance to supporters organising their own fundraising activities. The fundraising team also organise a portfolio of Hospice managed events.

As a charity the Hospice relies on donations from generous individuals, organisations and the local community to be able to offer specialist palliative care to patients and their families from diagnosis to end of life.

The impact of the Covid-19 pandemic was felt throughout the entire financial year. Many of our events and supporter-led activities were postponed or cancelled due to the government restrictions in place. The support from the local community continued to be generous, both through individual donations and participation in activities when restrictions allowed. The pandemic remains a significant negative factor in our planning for future financial years. In addition to continuing government restrictions curtailing events and activities, the general population is likely to be socially and economically affected. This may have a detrimental effect on the ability of charities to achieve growth in voluntary income.

In January 2021 a Fundraising Manager position was introduced in the team to provide additional support and day to day management of the team but also to focus on diversifying the Hospices income streams.

The trustees are grateful for the generosity of individuals and local companies and organisations that support our events with the provision of facilities and financial sponsorship arrangements, without which many of the hospice events could not be staged.

SUBSIDIARY COMPANIES

Retail (Subsidiary Company - Springhill Hospice (Services) Ltd)

Springhill Hospice (Services) Ltd is the trading arm of the hospice which manages the retail sales of donated goods and a range of hospice merchandise.

In 2020/21 we made the difficult decision to close one charity shop (our smaller furniture shop). By the end of the financial year, the company retained a portfolio of eight charity shop retail outlets across the Borough of Rochdale – the majority of which are ‘traditional’ charity shops selling a wide range of good quality second hand items. One of these outlets specialises in furniture and one is a ‘hub’ shop where we can trial new retail/commercial activities. In addition, there is a small gift shop situated within the reception area of the Hospice. E-commerce activity has continued through platforms such as eBay and Depop.

Springhill Hospice’s shops were significantly impacted by the Covid-19 pandemic. The result of this was that Springhill’s retail shops on the high street ceased trading for the majority of the financial year. E-Commerce activity, cost saving measures such as utilising the Government’s furlough scheme and not recruiting into vacancies, and grants from the Government via our local councils helped to mitigate losses.

Physical stores were permitted to reopen in April 2021, and the current Government stance implies that there will be no further closures. As a result, the 2021/22 planning assumes continued trading. At times of economic stress, charity shops have traditionally achieved good results, and so we are cautiously hopeful we will be able to return to near pre-pandemic levels of trading.

Income received through our retail activity was £172k (2019/20 £679k).

Lottery (Subsidiary Company - Springhill Hospice (Lottery) Ltd)

The Hospice Lottery provides Springhill Hospice with income through its weekly lottery campaign. All profits from this company are donated to the Hospice.

Springhill’s Lottery continues to be a good income stream, contributing £383,516 in 2020/21 a decrease of only 1% in comparison to 2019/20.

Government restrictions during the year prevented our usual face-to-face recruitment activity. Whilst this resulted in a slight decrease in player numbers, recruitment fees were also considerably less than had been planned.

Covid restrictions also prevented our cash collection activity. After reviewing the impact of this, we decided it was the right time to move away from cash collections. Mailing activity took place to convert cash players to continue to play in the Lottery, offering alternative payment options (cheque or direct debit). We plan to restart our face-to-face recruitment activity in 21/22 when restrictions ease.

The Charity owns 100% of the shares in the Springhill Hospice (Services) Ltd., which in turn owns 100% of the shares in Springhill Hospice (Lottery) Ltd. Both of these companies gift aid their taxable profits to the Springhill Hospice (Rochdale) for the pursuance of its objectives. Details of the subsidiary company’s trading can be found in note 13 of the annual accounts. At 31 March 2021, Springhill Hospice (Services) Ltd owed £662k to the parent company in respect of money lent for the purchase of the Craven, and some costs which the parent company pays and then recharges. Loan agreements between the two companies have subsequently been established.

COMMUNICATIONS

The marketing and communications team support every aspect of the hospice's work, including clinical and corporate services, in addition to income generation. Communication standards have continued to develop to ensure that awareness of the hospice's services and fundraising activity remains high in the community.

We have continued to develop a library of powerful patient and supporter case studies to engage with supporters and break down some of the myths about hospice care. This is an area we will continue to build on and develop.

During 2020/21 hospice media coverage was as follows (2019/20 in brackets):

- Press coverage – Rochdale Observer – 18 articles (43)
- Press coverage – Rochdale Online – 38 articles (58)

Social media followers at the end of March 2021 for:

- Facebook – 8,519 (8,131)
- Twitter – 1,425 (3,220)
- Instagram – 3,279 (1,201)

Social media analytics for 2020/21

- Reach for Facebook posts – 245,103 (1,327,635)
- Twitter post impressions – 253,908 (319,373)
- Reach for Instagram posts – 42,294 (75,870)

STAFF AND VOLUNTEERS

The Board of Trustees would like to express its appreciation of the work of the staff within the hospice group of companies for all their efforts during the year, often extending beyond their paid duties to engage in raising funds for the hospice.

Equally the contribution of our volunteer workforce is valued very highly and the table below gives an indication of the financial value of their input throughout the group based on the national living wage rates currently prescribed:

	<u>2021</u>		<u>2020</u>	
	<u>Hours (est)</u>	<u>£</u>	<u>Hours (est)</u>	<u>£</u>
National Living Wage		8.72		8.21
Hospice	19,136	166,866	46,592	382,520
Services Company	4,108	35,822	32,116	263,672
Lottery Company	156	1,360	1,040	8,538
TOTAL	23,400	204,048	79,748	654,730

The range of activities undertaken by the volunteer workforce this year has included:

Reception duties	Income recording
Catering	Inpatient support (new role)
Gardening	Fundraising support
Charity shops support	Collection of donated goods
Lottery collections	Community befriending
Laundry	Calligraphy
Administrative support	Library assistants
Day Hospice drivers	

In previous years, the Hospice has also had volunteer support in a number of activities that had to be temporarily halted because of the pandemic. These included care assistants, assisting on the inpatient unit, creative and complementary therapies, flower arranging, assisting in day hospice, chaplaincy services, pets as therapy.

FINANCIAL REVIEW

The accounts for the year have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice and comply with all statutory requirements and the hospice's governing document. The accounts consolidate the results of the hospice and its trading subsidiary.

The Trustees report a net increase to overall funds for the year of £306,602 (2019/20 increase £11,121) and an overall funds balance of £8,681,540 at 31 March 2020 (£8,374,938 at 31 March 2020). The financial position of the group is set out in the balance sheet on page 27. The reserves policy relating to the funds held by the hospice is described in the reserves policy below.

Income and expenditure

The statement of financial activities (SOFA) is set out on page 26 of these financial statements. From an operating point of view 2020/21 showed a surplus before investment gains of £304,033 (2019/20 Surplus £12,211).

The hospice's income has been affected by the Coronavirus pandemic, in particular fundraising and trading income, due to inactivity during lockdown. However, in common with other hospices, Springhill received funding related to the pandemic from NHS England, transacted via Hospice UK. Total income in 2020/21 was consequently similar to the previous two financial years at £5.1 million (2019/20 £5 million).

Income from donations and fundraising activities was £712,880, a 26% fall compared to the previous year (2019/20: £966,916).

Legacy income increased with £335,552 recognised as received or as due under FRS 102 (2019/20 £256,573).

Funding from NHS Clinical Commissioning Groups amounted to £2,160,302, (2019/20 £2,412,168).

The NHSE awarded funding to allow the hospice to make available bed capacity and community support from April 2020 to July 2020 to provide support to people with complex needs in the context of the COVID-19 situation and to provide bed capacity and community support from November 2020 to March 2021 for the same purpose. This amounted to £898,529 in total.

The turnover of the Services Company decreased very significantly to £172,347 for the year (2019-20 £679,644). Clearly this reflects the extent to which Springhill's shops were closed during the pandemic national lockdown and the 'Tier 3' restrictions that continued in Greater Manchester. The company received government grant income of £172,006 from the Small Business Grant and Coronavirus Job Retention Schemes. Nonetheless there was a loss for the financial year of £88,108. In normal years, the taxable profits are gifted to the hospice. In 2020-21 there was no contribution from the Services Company to the hospice, and the loss is consolidated within the group accounts.

The turnover of the Lottery Company was £556,950 (2019/20 £597,181). The profit for the year which is gifted to the hospice amounted to £383,516 (2019/20 £388,069).

Investment income and interest receivable this year was £42,113, a decrease of 12%.

The cost of charitable activities decreased to £3,908,037 from £3,991,748 in the previous year. The decrease in cost reflects activities not undertaken during the year.

Investment Performance, Policy and Management

At 31 March 2021 the value of the investment portfolio was £961,847 (see note 13) (2019/20 £959,278) and saw little change. During the year income earned on the portfolio was paid to the Hospice.

The investment performance is reviewed by the Finance Committee.

The investment policy is to seek the best financial return within an acceptable level of risk and the investment objectives are a balance between income and capital growth.

Policy on Reserves

A statement of unrestricted funds is shown in Note 19 to the accounts.

The Charities SORP defines reserves as that part of a charity's funds that is freely available to spend.

The trustees seek to maintain reserves at a level which ensure that the hospice's core activity could be maintained following fluctuations in income. In particular they recognise the highly unpredictable nature of legacy income and provide for this risk. In order to mitigate income fluctuations the trustees are committed to diversifying and developing new and existing income streams. Trustees maintain a review of the reserves policy of the charity through the finance committee and the calculation of the required level of reserves is part of the hospice's annual budgeting and planning cycle. The main risks to both income and expenditure are highlighted, a calculation of the possible financial consequences is made and an examination is undertaken of readily realisable reserves, main commitments and market valuation of any investments.

The trustees recognise the increasing and varied demands for hospice services and may allocate certain funds to address these needs. As part of the annual planning cycle, the trustees perform a review of the reserves policy through the finance committee to ensure an adequate level of reserves is maintained. In view of the increased activity of the hospice the trustees consider the target level of free reserves to be in the range £3 million to £6 million.

The trustees have agreed that these free reserves should not normally exceed one year's running costs. The free reserves at 31 March 2021 are £4.8 million (2019/20 4.2 million) which represents 12 months of normal running costs for the hospice (2019/20 between nine and ten months).

The Charities SORP specifically allows for funds held as "tangible fixed assets for charity use" to be excluded from free reserves. The trustees therefore set aside a designated reserve of £2.6 million, equal to the net book value of tangible fixed assets (2019/20 £2.7 million).

In addition the trustees have designated a reserve of £1.1 million to be held for property refurbishment and development (2019/20: £1.1 million). This reserve relates mainly to potential plans to extend the hospice as accommodation is currently at full capacity. These plans have again been paused during the pandemic.

The Trustees have also designated £85,000 for IT. This provides for new IT equipment ordered in late 2020/21 but not received or paid for until 2021/22.

PLANS FOR FUTURE PERIODS

In December 2020, Chief Executive, Julie Halliwell retired after 26 years at the hospice and staff and trustees would like to thank Julie for her outstanding contribution. A new Chief Executive was appointed and has been looking to the future to develop the next five year strategy as well as leading the organisation, jointly with the Operational Management Team, through the coronavirus pandemic. Due to the pandemic, plans to extend the hospice footprint were halted but will hopefully be resumed as part of the new five year strategy.

Priorities moving forward include:

IT Infrastructure

The pandemic has taught us just how important IT is in our ability to deliver our services and how important working from home will continue to be. Therefore trustees approved a significant upgrade of our hardware as well as E prescribing and cloud based access to Icare. These improvements will enable more efficient working and better patient care. Plans are in place to develop a Digital Transformation Group to continue our improvements and efficiencies.

Coronavirus pandemic

The pandemic continues to seriously affect the hospice. Whilst the community service, Hospice at Home and the Inpatient Unit have continued to provide care to all including Covid positive patients, Day Hospice has had to provide virtual therapies. Visiting was seriously impacted and management now meets fortnightly to review the situation and how to ease restrictions as safely as possible. All staff and visitors to the hospice are regularly tested and we hope to see further easing of restrictions.

Recruitment and retention of staff

It is vital the hospice is able to recruit and retain the best possible staff. We continually look at ways to support the wellbeing of our staff. We understand that the hospice can be a challenging environment for staff and recognise the ongoing impact of the pandemic and are therefore training up a number of Mental Health First Aiders. It is important our salaries remain competitive with the NHS and similar employers within HMR. Plans are currently being considered for Springhill to become a Real Living Wage Employer.

Income Generation Strategy

In Fundraising, our future planning includes diversifying our income streams to include trust and grant activity, legacy promotion, review our individual giving campaigns and maximising efficiencies across the team.

In respect of our retail activities the focus for the future is to maximise the features the EPOS (electronic point of sale) tills and Gift Aid on Donated Goods scheme provide, in order to develop our retail offering, continue to develop our e-commerce presence, increase our furniture delivery and collection activity and review new trading opportunities including new goods.

Our focus for the lottery moving forward is to develop other avenues to promote sign ups to the lottery, diversifying our acquisition channels.

Financial efficiency

As a charity, the hospice strives to ensure that our income is spent effectively. The finance team continue to look at streamlining financial processes and integrate them more closely with fundraising and retail processes. For the next financial year, a priority is to improve the recording of income between the retail company and finance systems. There is also a need to review the use of the HR database in respect of time recording and ensure the process to payroll is efficient. These were both priorities a year ago, before the pandemic.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Appointment of Trustees

Trustees are directors of the company for the purposes of the Companies Act. The Articles of Association state that there shall be a Board of Trustees (also referred to as the Board of Directors).

The Hospice Board seeks to appoint trustees who are representative of the local community and are able to bring specific skills to the management of the charity. There is no limit placed on the number of trustees that may be appointed, although the board attempts to avoid duplication of interest to avoid inefficiency.

Trustees may be proposed and seconded at any board meeting; and appointed by a majority vote of existing members present at the meeting.

Trustee Induction

On appointment trustees are provided with a range of recent hospice specific documentation relating to the current service and financial arrangements, plus a selection of Charity Commission booklets covering roles and responsibilities of charity trustees. Additionally trustees are encouraged to attend educational and training events appropriate to their roles on the board and committees.

Organisation

The Board of Directors administers the charity and meets a minimum of four times each year. There are also sub committees of the board.

Delegated Decision Making

A scheme of delegation approved by the board is in place which sets out in detail the matters and powers delegated to the Chief Executive, Samantha Wells. The chief executive is ultimately accountable to the board of directors for ensuring that the hospice meets its obligation to perform its functions within the available financial and other resources. The hospice ensures good governance through a committee structure with sub committees for clinical quality and performance; finance; governance, audit, and employment and risk. Each committee reports to the board on the matters considered by the committee.

Senior Managers & Advisors

Details of senior managers and advisors can be found on page 4 and 5 of these accounts.

Remuneration of Key Management Personnel

The pay range of key management personnel is determined by the trustees of the charity through the remuneration committee. When determining the salary band, trustees will be informed of:

- Regional NHS and Local Authority salary ranges
- Salaries for post advertised within the independent hospice sector
- The NHS job matching toolkit

Internal Control and Risk Management

The directors recognise that the acceptance of risk is inevitable in meeting the operational goals of the hospice. Therefore, a Governance, Audit and Employment Committee has been appointed to advise on the effectiveness of the internal control and management systems and to ensure all activities undertaken are subject to a continuous review for economy, effectiveness and efficiency. The committee also has oversight of financial control, governance and risk-management across all facets of the organisation. The management of individual risks is delegated to relevant sub committees of the board.

The Governance, Audit and Employment Committee receives reports on internal audits on both financial and non-financial matters, inspection reports and clinical audits. It also receives reports from the executive team and relevant sub committees on the identification and management of strategic and operational risks. It receives presentations on major projects that have been undertaken in the hospice. It advises the board on the outcomes of all its work throughout the year.

Strategic Risks

Springhill Hospice (Rochdale) holds a strategic risk register which is regularly reviewed at the appropriate committees and updated as required.

Springhill Hospice (Rochdale) recognises the risks associated with voluntary income from fundraising, particularly legacies, which is an income stream that fluctuates unpredictably. Changes to legislation, downturns in the economy and activity from other charitable organisations, whether within or outside the hospice sector may all impact on fundraising revenue.

In mitigation of the potential risks, the trustees regularly review external influences and legislative implications. We take a proactive approach in encouraging supporters to consider legacies and a strategic approach to securing trusts and grant awards for both restricted and unrestricted monies. The Springhill Hospice (Services) Company Board, Springhill Hospice (Lottery) Board and management team monitor performance of the retail outlets and lottery against budget, forecasts and trends.

In April 2020 Springhill Hospice (Rochdale) renewed the contract for community services with the Heywood, Middleton & Rochdale Clinical Commissioning Group until 31st March 2022 and secured an uplift in the grant. We continue to appreciate the support of local commissioners.

The coronavirus pandemic has caused significant challenge throughout the hospice, and at the time of writing, continues to do so. The trustees are grateful to staff and volunteers who have demonstrated enormous resolve and flexibility to continue to care for patients. We remain concerned at the impact the pandemic will have in terms of income generation going forward, particularly in terms of event and community fundraising given the significant restrictions we remain under. Plans continue to be developed and implemented in order that service provision to patients and families can be maintained, albeit in some cases, in a very different way, and we will continue to work alongside government guidance, making necessary changes as the pandemic continues.

Trustees' Responsibility Statement

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

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

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

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. In so far as the Trustees are aware:

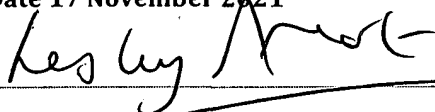
- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

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

The Trustee's Report, including the Strategic Report, was approved by the Board and signed on its behalf by:

Mrs Lesley Mort
Interim Chair

Date 17 November 2021



Independent Auditor's Report to the Members and Trustees of Springhill Hospice (Rochdale)

Opinion

We have audited the financial statements of Springhill Hospice (Rochdale) (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021, which comprise the group consolidated statement of financial activities, the group and parent charitable company balance sheet, the group cash flow statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 March 2021, and of the group's 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 group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

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

In preparing the financial statements, the trustees are responsible for assessing the group's and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- review of financial statement disclosures and vouching to supporting documentation to assess compliance with applicable laws and regulations;
- auditing the risk of management override of controls, including the testing of journal entries and other adjustments for appropriateness;
- testing the effectiveness of the company's internal controls and systems;
- use of analytical procedures to review client data for unusual trends and fluctuations.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards->

[and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx](#). This description forms part of our auditor's report.

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

Use of our report

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

John L Wild (Senior Statutory Auditor)

17 November 2021

***For and on behalf of PKW LLP, Statutory Auditor
Cloth Hall, 150 Drake Street,
Rochdale,
Lancashire
OL16 1PX***

Consolidated Statement of Financial Activities (including consolidated income and expenditure account)

For the year ended 31 March 2021

	Note	Unrestricted funds £	Restricted funds £	Total funds 2021 £	Total funds 2020 £
INCOME FROM:					
Voluntary income					
Donations and legacies	3	1,094,059	930,653	2,024,712	1,095,022
Charitable activities	4	2,066,728	110,275	2,177,003	2,443,271
Other trading activities	5	857,674	-	857,674	1,499,756
Investments	6	42,113	-	42,113	48,068
TOTAL INCOME		4,060,574	1,040,928	5,101,502	5,086,117
EXPENDITURE ON:					
Raising funds	7	889,432	-	889,432	1,082,158
Charitable activities	8	2,896,562	1,011,475	3,908,037	3,991,748
TOTAL EXPENDITURE		3,785,994	1,011,475	4,797,469	5,073,906
Net Income before investment gains/(losses)		274,580	29,453	304,033	12,211
Net Gains/(Losses) on Investments	13	2,569	-	2,569	(1,090)
Net income/(expenditure) before tax	10	277,149	29,453	306,602	11,121
Taxation		-	-	-	-
Net Income/(expenditure) for the year		277,149	29,453	306,602	11,121
Transfer Between Funds	19	308,902	(308,902)	-	-
NET MOVEMENT IN FUNDS		586,051	(279,449)	306,602	11,121
FUND BALANCES BROUGHT FORWARD AT 1st April					
		7,946,322	428,616	8,374,938	8,363,817
FUND BALANCES CARRIED FORWARD AT 31st March					
	19	8,532,373	149,167	8,681,540	8,374,938

There were no other recognised gains or losses other than those listed above and the net income for the year. All income and expenditure derives from continuing activities.

The surplus of the parent charity for the year for Companies Act purposes is £394,710 (2020: £32,018).

As permitted by Section 408 of the Companies Act 2006, no separate Statement of Financial Activities is presented in respect of the parent charity.

See note 19 for the comparative consolidated statement of financial activities analysed by funds.

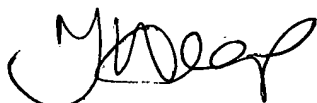
Balance Sheet

For the year ended 31 March 2021

	Note	Group		Charity	
		2021 £	2020 £	2021 £	2020 £
FIXED ASSETS					
Tangible assets for use by the charity	12	2,575,125	2,690,078	2,285,986	2,422,399
Long Leasehold of Land		28,000	28,000	28,000	28,000
Investments	13	961,847	959,278	961,947	959,378
		<u>3,564,972</u>	<u>3,677,356</u>	<u>3,275,933</u>	<u>3,409,777</u>
CURRENT ASSETS					
Stocks	14	3,123	10,997	-	-
Debtors	15	554,639	632,774	1,440,934	1,044,041
Short-term cash investments	16	-	303,772	-	303,772
Cash at bank and in hand	16	4,943,753	4,084,233	4,298,007	3,781,938
		<u>5,501,515</u>	<u>5,031,776</u>	<u>5,738,941</u>	<u>5,129,751</u>
CREDITORS: amounts falling due within one year	17	(384,947)	(334,194)	(288,365)	(207,729)
NET CURRENT ASSETS		<u>5,116,568</u>	<u>4,697,582</u>	<u>5,450,576</u>	<u>4,922,022</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		8,681,540	8,374,938	8,726,509	8,331,799
NET ASSETS		<u>8,681,540</u>	<u>8,374,938</u>	<u>8,726,509</u>	<u>8,331,799</u>
FUNDS					
Unrestricted Funds		8,532,373	7,946,322	8,577,342	7,903,183
Restricted funds		149,167	428,616	149,167	428,616
TOTAL FUNDS	19	<u>8,681,540</u>	<u>8,374,938</u>	<u>8,726,509</u>	<u>8,331,799</u>

The financial statements were approved and authorised for issue by the Board on 17 November 2021

Signed on behalf of the Board of Trustees



Julia Heap
Honorary Treasurer

The notes on pages 29 to 48 form part of these financial statements.
Company registration number 02325905

Notes to the Financial Statements

1. ACCOUNTING POLICIES

Company and charitable status

Springhill Hospice, a public benefit entity, is incorporated in England and Wales as a company limited by guarantee not having a share capital. There are currently nine Trustees who are also the members of the company. Each member has undertaken to contribute to the assets in the event of winding up a sum not exceeding £1. The charity is a registered charity. The registered office is given on page 5.

Basis of accounting

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

The principal accounting policies are set out below.

Preparation of financial statements - going concern basis

The charity and group's activities, together with the factors likely to affect its future development, performance and position are set out in the Trustees Report which also describes the financial position of the group including its cash, investments and reserves policies. The group forecasts and projections, taking account of reasonably possible changes in donations, legacies, fundraising activities and other income, show that the group should be able to operate with the current level of reserves it has. After making enquiries, the Trustees have a reasonable expectation that the charity and the group have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual report and financial statements.

Basis of consolidation

Group financial statements have been prepared in respect of the charity and its wholly owned subsidiary undertaking Springhill Hospice (Services) Company Limited, incorporating Springhill Hospice (Lottery) Limited. These financial statements have been consolidated on a line by line basis and the results of the subsidiary undertaking are disclosed in note 13.

Cash flow statement

In accordance with FRS 102 the group is exempt from the requirement to present its parent charity cash flow statement.

Income

Income is recognised when the group and charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met; it is probable that the income will be received and the amount can be measured reliably.

Donations and fundraising activities

Donations and all other receipts from fundraising are reported gross and the related fundraising costs are reported in the costs of raising funds. Cash collections to which the charity is entitled but which it has not received by the year end are included in income in the statement of financial activities and shown as debtors in the balance sheet.

1. ACCOUNTING POLICIES (continued)

Income (continued)

Legacies

Legacies are accounted for when conditions for receipt have been met. Material legacies receivable at the year-end are included at their probate value.

Grants receivable

Income from grants is included in income when receivable, except as follows:

- When donors specify that grants given to the charity must be used in future accounting periods, the income is deferred until those periods.
- When donors impose conditions which have to be fulfilled before the charity becomes entitled to use such income, the income is deferred and not included in income until pre-conditions for use have been met.
- When donors specify that grants, including capital grants are particular restricted purposes, which do not amount to pre-conditions regarding entitlement, this income is included in income of restricted funds when receivable.

Trading activities

Income from trading activities includes fundraising revenue as well as sales recognised in the group's trading subsidiary. The trading subsidiary's turnover represents the net amount receivable from all activities, excluding value added tax. Turnover from the sale of goods is recognised upon exchange of goods for payment. Income from lottery ticket sales comprises income in relation to draws held in the period and is recognised upon completion of the draw. Receipts in advance of future draws are included in deferred income until the date of the draw.

Investment income

Investment income is accounted for when receivable.

Donated goods and services

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the SORP 2019, general volunteer time is not recognised - refer to the Trustees' annual report for more information about their contribution.

On receipt, donated professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

1. ACCOUNTING POLICIES (continued)

Expenditure

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

The charity's operating costs include staff costs, premises costs, governance costs and other related costs. Such support costs are allocated between cost of raising funds and charitable expenditure. Staff costs are allocated according to the costs of staff working directly in the relevant activity and property costs are allocated according to the space used by each activity. Where costs are not directly attributable to any activity, they have been apportioned using an appropriate basis. Governance costs represent expenditure incurred in the management of the charity's assets, organisational administration, and compliance with constitutional and statutory requirements

Charitable expenditure

Costs of activities in furtherance of the charity's objects include all expenditure directly related to the objects of the charity.

Cost of raising funds

Cost of raising funds includes the following:

- *Fundraising and publicity*
This represents expenditure in relation to staff members who are directly engaged in fundraising, and related costs of the fundraising activity.
- *Lottery and raffle prizes and organisation costs*
This represents expenditure by the lottery company in relation to costs directly involved in organising the lottery and raffle, including the purchase of prizes and prize money.
- *Other costs associated with trading activities*
This represents other costs incurred by the trading company for fundraising activities.

Fund accounting

The charity maintains various types of funds as follows.

Restricted funds

Restricted funds are funds subject to specific restrictions imposed by the funding authorities and donors. These funds are not available for the Trustees to apply at their discretion. The purpose and use of the restricted funds is set out in the notes to the financial statements.

Unrestricted funds

- *General unrestricted funds*
General unrestricted funds represent funds which are expendable at the discretion of the Trustees in furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.
- *Designated funds*
Designated funds are amounts which have been put aside at the discretion of the Trustees.

1. ACCOUNTING POLICIES (continued)

Taxation

The parent company is a registered charity and has no liability to corporation tax on its charitable activities under the Corporation Tax Act 2010 (chapters 2 and 3 of part ii, section 466 onwards) or Section 256 of the Taxation for Chargeable Gains Act 1992, to the extent surpluses are applied to its charitable purposes.

Current tax for the subsidiary company, comprising UK corporation tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the trading company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax is measured on a non-discounted basis.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Freehold buildings	50 years
Freehold buildings improvements	10 – 20 years
Shop buildings & improvements	25 years
Leasehold improvements	5 years
Fixtures, furniture and equipment	5 years

Investments

Investments are included in the financial statements at market value. The Statement of Financial Activities includes the net gains and losses arising on revaluations and disposals throughout the year.

Current investments represent monies invested in short-term liquid money market instruments.

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

In the parent charity balance sheet, investments in subsidiary undertakings are measured at cost less impairment.

1. ACCOUNTING POLICIES (continued)

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate. Items donated for resale are not included in the financial statements until they are sold.

Operating leases

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Employee benefits

For defined contribution pension schemes and employees in the NHS pension scheme the amount charged to the Statement of Financial Activities in respect of pension costs and other retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Financial instruments

Financial assets and financial liabilities are recognised when the group becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are initially measured at transaction price (including transaction costs).

The charity and group only have financial assets and financial liabilities of a kind that qualify as basic financial instruments. With the exception of fixed asset investments, basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

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 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.

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

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

In the application of the group's accounting policies, which are described in note 1, the Trustees are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Trustees do not consider there are any critical judgements or sources of estimation uncertainty requiring disclosure beyond the accounting policies listed above.

3. ANALYSIS OF INCOME FROM DONATIONS AND LEGACIES

	2021	2020
	£	£
Donations	584,503	743,039
Legacies	335,552	256,573
Grants	1,104,657	95,410
	<u>2,024,712</u>	<u>1,095,022</u>

4. ANALYSIS OF INCOME FROM CHARITABLE ACTIVITIES

	2021	2020
	£	£
NHS Contracts	2,160,302	2,412,168
Ancillary charitable activity income - catering	16,701	31,103
	<u>2,177,003</u>	<u>2,443,271</u>

5. ANALYSIS OF INCOME FROM OTHER TRADING ACTIVITIES

	2021	2020
	£	£
Fundraising activities	128,377	223,877
Retail income	172,347	678,698
Lottery and raffle income from trading subsidiary	556,950	597,181
	<u>857,674</u>	<u>1,499,756</u>

6. INVESTMENT INCOME

	2021	2020
	£	£
Interest - Fixed Income Securities	23,361	21,804
Interest - Deposits	18,752	26,264
	<u>42,113</u>	<u>48,068</u>

7. ANALYSIS OF EXPENDITURE ON RAISING FUNDS

	2021	2020
	Total	Total
	£	£
Employee costs	202,367	196,385
Office and sundry costs	36,354	16,442
Direct costs	30,202	75,139
Share of support costs	4,453	4,470
Lottery and raffle prizes and organisation costs	176,353	212,460
Other costs associated with trading activity	439,703	577,262
	<u>889,432</u>	<u>1,082,158</u>



8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

	Activities undertaken directly £	Support costs £	2021 Total £
2021			
Provision of Hospice services:			
In-patient care	1,654,169	1,094,926	2,749,095
Community service	1,138,634	18,855	1,157,489
Education	1,453	-	1,453
	<u>2,794,256</u>	<u>1,113,781</u>	<u>3,908,037</u>
	Activities undertaken directly £	Support costs £	2020 Total £
2020			
Provision of Hospice services:			
In-patient care	1,736,618	1,086,892	2,823,510
Community service	1,134,744	17,615	1,152,359
Education	15,879	-	15,879
	<u>2,887,241</u>	<u>1,104,507</u>	<u>3,991,748</u>

9. ANALYSIS OF SUPPORT COSTS

	Patient care £	Charitable Activities Total £	Raising funds Total £	2021 Total £
2021				
Governance	46,271	46,271	14,489	60,760
Information Technology	54,781	54,781	-	54,781
Administration	404,883	404,883	-	404,883
Support Premises Costs	298,694	298,694	-	298,694
Catering	136,070	136,070	-	136,070
Depreciation	173,082	173,082	-	173,082
	<u>1,113,781</u>	<u>1,113,781</u>	<u>14,489</u>	<u>1,128,269</u>
	Patient care £	Charitable Activities Total £	Raising funds Total £	2020 Total £
2020				
Governance	44,819	44,819	16,542	61,361
Information Technology	45,867	45,867	-	45,867
Administration	326,352	326,352	-	326,352
Support Premises Costs	332,965	332,965	-	332,965
Catering	159,592	159,592	-	159,592
Depreciation	194,913	194,913	-	194,913
	<u>1,104,508</u>	<u>1,104,508</u>	<u>16,542</u>	<u>1,121,050</u>

Allocation of support costs

The Hospice allocates its support costs as shown based on an annual estimation of the time applied to these areas.

This basis reflects the use of these resources.

10. NET INCOME/EXPENDITURE FOR THE YEAR

	2021 £	2020 £
Net income is stated after charging/(crediting)		
Depreciation of owned asset	200,149	207,844
Rentals under operating leases		
Land and buildings	24,804	36,542
Other	23,258	24,398
Auditor's remuneration		
Fees payable to the charity's auditor for the audit of the charity's annual financial statements	10,500	11,500
Audit of the Charity's subsidiaries	10,000	9,670

11. ANALYSIS OF STAFF COSTS, TRUSTEE REMUNERATION AND EXPENSES AND THE COST OF KEY MANAGEMENT PERSONNEL

The average monthly number of wte employees was:	Group		Charity	
	2021 No.	2020 No.	2021 No.	2020 No.
Charitable activity	68	70	68	70
Raising funds	9	8	9	8
Trading activities	17	19	-	-
Support	22	24	22	24
	<u>116</u>	<u>121</u>	<u>99</u>	<u>102</u>

The group average number of employees for the year ended 31st March 2021 was 150 (31st March 2020 was 156)

Their aggregate remuneration comprised:

	Group		Charity	
	2021 £	2020 £	2021 £	2020 £
Wages and salaries	3,186,647	3,271,904	2,928,234	2,949,612
Social security costs	264,035	266,602	250,674	250,145
Pension costs	305,545	319,263	299,777	311,867
	<u>3,756,227</u>	<u>3,857,769</u>	<u>3,478,685</u>	<u>3,511,624</u>

The number of Group employees emoluments, excluding pension contributions and employer's national insurance, but including benefits in kind, which were in excess of £60,000 was:

	2021 No.	2020 No.
£60,001 - £70,000		1
£70,001 - £80,000	1	1
£80,001 - £90,000	1	2
£90,001 - £100,000	1	-

Key Management Personnel

The hospice considers that the key management personnel for the Group and the charity comprise the trustees and the senior management team, being the chief executive officer and two other key directors.

The total remuneration (including pension contributions and employer's national insurance costs) of the key management personnel of the charity and group for the year totalled £272,067 (2020: £267,612).

Trustees remuneration

No Trustees received any remuneration during the current or prior year. No travel and subsistence expenses were paid during the year (2020: £Nil)

12 TANGIBLE FIXED ASSETS FOR USE BY THE CHARITY

GROUP	Hospice Buildings	Charity Shops	Hospice Furniture & Equipment	Shops Fixtures & Equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2020	3,642,820	662,071	814,202	289,090	5,408,183
Additions	12,452	-	72,744	-	85,196
At 31 March 2021	<u>3,655,272</u>	<u>662,071</u>	<u>886,946</u>	<u>289,090</u>	<u>5,493,379</u>
Accumulated depreciation					
At 1 April 2020	1,642,068	281,380	694,474	100,183	2,718,105
Charge for the year	115,101	20,988	34,456	29,604	200,149
At 31 March 2021	<u>1,757,169</u>	<u>302,368</u>	<u>728,930</u>	<u>129,787</u>	<u>2,918,254</u>
Net book value					
At 31 March 2021	<u>1,898,103</u>	<u>359,703</u>	<u>158,016</u>	<u>159,303</u>	<u>2,575,125</u>
At 31 March 2020	<u>2,000,752</u>	<u>380,691</u>	<u>119,728</u>	<u>188,907</u>	<u>2,690,078</u>
CHARITY	Hospice Buildings	Charity Shops	Hospice Furniture & Equipment	Shops Fixtures & Equipment	Total
	£	£	£	£	£
Cost					
At 1 April 2020	3,642,820	489,967	814,202	145,483	5,092,472
Additions	12,452	-	72,744	-	85,196
Disposals	-	-	-	(85,636)	(85,636)
At 31 March 2021	<u>3,655,272</u>	<u>489,967</u>	<u>886,946</u>	<u>59,847</u>	<u>5,092,032</u>
Accumulated depreciation					
At 1 April 2020	1,642,068	260,728	694,474	72,803	2,670,073
Charge for the year	115,101	14,104	34,456	9,421	173,082
Disposals	-	-	-	(37,109)	(37,109)
At 31 March 2021	<u>1,757,169</u>	<u>274,832</u>	<u>728,930</u>	<u>45,115</u>	<u>2,806,046</u>
Net book value					
At 31 March 2021	<u>1,898,103</u>	<u>215,135</u>	<u>158,016</u>	<u>14,732</u>	<u>2,285,986</u>
At 31 March 2020	<u>2,000,752</u>	<u>229,239</u>	<u>119,728</u>	<u>72,680</u>	<u>2,422,399</u>

13 FIXED ASSET INVESTMENTS

	Group & Charity	
	2021	2020
	£	£
Market value at 1 April 2020	959,278	960,368
Net Investment (Loss)/ Gain	2,569	(1,090)
	<hr/>	<hr/>
Market value at 31 March 2021	961,847	959,278
	<hr/>	<hr/>
Investment in Subsidiary Trading Company	100	100
Charity Investment	100	100
	<hr/>	<hr/>

The charity owns the entire issued ordinary share capital of Springhill Hospice (Services) Limited, a company incorporated and registered in England and Wales (company registration No. 02802521), whose principal activity is the management of the charity's trading activities.

The result of the charity's trading activities through its subsidiary undertaking is detailed below. Springhill Hospice (Services) Limited's taxable profits are donated to the charity annually.

Springhill Hospice (Rochdale)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 31st March 2021

13 FIXED ASSET INVESTMENTS (continued) RESULTS OF TRADING SUBSIDIARY

The results for Springhill (Services) Limited, incorporating Springhill Hospice (Lottery) Limited, a wholly owned subsidiary of Springhill Hospice (Rochdale) for the year ended 31st March 2021 are given below

	2021 £	2020 £
Turnover	729,297	1,276,825
Cost of sales	(99,745)	(112,038)
Gross profit	629,552	1,164,787
Administrative expenses	(506,276)	(665,612)
	123,276	499,175
Other operating income	172,006	95,410
Operating profit	295,282	594,585
Interest receivable	126	315
Profit before taxation	295,408	594,900
Tax on profit	-	-
Profit for the financial year attributable to the equity shareholders of the company	295,408	594,900

Statement of changes in equity

	Profit and loss account £
Balance at 1 April 2019	-
Profit after tax for the year	594,900
Gift aid distribution	(551,761)
Balance at 31 March 2020	43,139
Profit after tax for the year	295,408
Gift aid distribution	(383,516)
Balance at 31 March 2021	(44,969)

BALANCE SHEET

The aggregate of the assets and liabilities was:

	2021 £	2020 £
Fixed assets	289,139	267,679
Current assets	680,371	436,038
Creditors: amounts falling due within one year	(1,014,379)	(660,478)
Total net assets	(44,869)	43,239

14. STOCKS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Finished goods and goods for resale	<u>3,123</u>	<u>10,997</u>	<u>-</u>	<u>-</u>

15. DEBTORS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade debtors	86,889	12,671	78,708	12,671
VAT Recoverable	72,586	292,480	71,582	278,601
Prepayments and accrued income	39,243	63,814	33,054	52,678
Other debtors	355,921	263,809	339,793	166,078
Amounts due from subsidiary company	-	-	917,797	534,013
	<u>554,639</u>	<u>632,774</u>	<u>1,440,934</u>	<u>1,044,041</u>

16. CASH AND CASH EQUIVALENTS

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Term deposits over 1 year	-	303,772	-	303,772
Interest bearing accounts	4,670,938	3,966,282	4,297,447	3,781,378
Current accounts and cash	<u>272,815</u>	<u>117,951</u>	<u>560</u>	<u>560</u>
	<u>4,943,753</u>	<u>4,388,005</u>	<u>4,298,007</u>	<u>4,085,710</u>

17. CREDITORS (Amounts falling due within one year)

	Group		Charity	
	2021	2020	2021	2020
	£	£	£	£
Trade Creditors	113,347	128,607	105,066	69,460
Accruals and deferred income	140,307	93,518	52,006	26,200
NHS Creditor	23,221	10,700	23,221	10,700
Taxation and social security	64,413	60,676	64,413	60,676
Other creditors	<u>43,659</u>	<u>40,693</u>	<u>43,659</u>	<u>40,693</u>
	<u>384,947</u>	<u>334,194</u>	<u>288,365</u>	<u>207,729</u>

18. COMPARATIVE CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

		Unrestricted funds £	Restricted funds £	Total funds 2020 £
INCOME FROM:				
Voluntary income				
Donations and legacies	3	1,041,859	53,163	1,095,022
Charitable activities	4	972,749	1,470,522	2,443,271
Other trading activities	5	1,499,756	-	1,499,756
Investments	6	48,068	-	48,068
TOTAL INCOME		<u>3,562,432</u>	<u>1,523,685</u>	<u>5,086,117</u>
EXPENDITURE ON:				
Raising funds	7	1,082,158	-	1,082,158
Charitable activities	8	<u>2,636,248</u>	<u>1,355,500</u>	<u>3,991,748</u>
TOTAL EXPENDITURE		<u>3,718,406</u>	<u>1,355,500</u>	<u>5,073,906</u>
Net Income/(Expenditure) before investment gains/(losses)		(155,974)	168,185	12,211
Net Gains/(Losses) on Investments	13	<u>(1,090)</u>	-	<u>(1,090)</u>
Net income/(expenditure) before tax	10	(157,064)	168,185	11,121
Taxation		-	-	-
Net Income/(expenditure) for the year		(157,064)	168,185	11,121
Transfer Between Funds	19	16,448	(16,448)	-
NET MOVEMENT IN FUNDS		(140,616)	151,737	11,121
FUND BALANCES BROUGHT FORWARD AT 1st April 2019		8,086,938	276,879	8,363,817
FUND BALANCES CARRIED FORWARD AT 31st March 2020	19	<u>7,946,322</u>	<u>428,616</u>	<u>8,374,938</u>

19 STATEMENT OF RESERVES

2021 Group

	At 1 April 2020 £	Income £	Expenditure (incl taxation) £	Gains/ (losses) £	Transfers £	At 31 March 2021 £
Unrestricted funds:						
General fund	4,197,491	4,060,574	(3,785,994)	2,569	338,855	4,813,495
Designated funds						
Fixed assets	2,690,078	-	-	-	(114,953)	2,575,125
Information Technology	-	-	-	-	85,000	85,000
Property refurbishment and development	1,058,753	-	-	-	-	1,058,753
Unrestricted funds	7,946,322	4,060,574	(3,785,994)	2,569	308,902	8,532,373
Restricted Fund						
As detailed below	428,616	1,040,928	(1,011,475)	-	(308,902)	149,167
	<u>8,374,938</u>	<u>5,101,502</u>	<u>(4,797,469)</u>	<u>2,569</u>	<u>-</u>	<u>8,681,540</u>

2021 CHARITY

	At 1 April 2020 £	Income £	Expenditure £	Gains/ (losses) £	Transfers £	At 31 March 2021 £
Unrestricted funds:						
General fund	4,422,029	3,542,661	(3,179,973)	2,569	360,315	5,147,601
Designated funds						
Fixed assets	2,422,399	-	-	-	(136,413)	2,285,986
Subsidiary	2	-	-	-	-	2
Information Technology	-	-	-	-	85,000	85,000
Property refurbishment and development	1,058,753	-	-	-	-	1,058,753
Unrestricted funds	7,903,183	3,542,661	(3,179,973)	2,569	308,902	8,577,342
Restricted Funds						
Hospice Education	78,216	-	-	-	-	78,216
Homely Remedies	6,665	-	-	-	-	6,665
Community Services	284,497	-	-	-	(284,497)	-
NHSE / Hospice UK	-	898,529	(898,529)	-	-	-
Springhill Crafts	17,282	869	-	-	-	18,151
Other Income & Grants	41,956	141,530	(112,946)	-	(24,405)	46,135
	<u>8,331,799</u>	<u>4,583,589</u>	<u>(4,191,448)</u>	<u>2,569</u>	<u>-</u>	<u>8,726,509</u>

Unrestricted funds are separated into designated funds, which are set aside in support of specific future requirements or circumstances, and the general fund, which is the value of reserves freely available for future use.

Separate designated funds are maintained for:

- Fixed assets: these will fund future depreciation charges. Funds are transferred each year to/from the general fund to match the value of those charges.
- Property refurbishment & development: these are being set aside to support planned major investment in our property assets. Funds are transferred each year to/from the General fund in accordance with the latest assessment of future plans.
- Investment in information technology hardware, agreed by the Board in 2020/21 but not transacted until the next financial year

Restricted funds relate to donations or grants given with restrictions made by the donor. Once the capital purchases have been made the restriction is released and transferred to the fixed asset designated fund. In a change from previous years, the Hospice no longer categorizes the Community Services contract as restricted funds.

19. STATEMENT OF RESERVES (continued)

2020 Group	At 1 April 2019 £	Income £	Expenditure (incl taxation) £	Gains/ (losses) £	Transfers £	At 31 March 2020 £
Unrestricted funds:						
General fund	4,235,967	3,562,432	(3,718,406)	(1,090)	118,588	4,197,491
Designated funds						
Fixed assets	2,792,218	-	-	-	(102,140)	2,690,078
Property refurbishment and development	1,058,753	-	-	-	-	1,058,753
Unrestricted funds	8,086,938	3,562,432	(3,718,406)	(1,090)	16,448	7,946,322
Restricted Fund						
As detailed below	276,879	1,523,685	(1,355,500)	-	(16,448)	428,616
	8,363,817	5,086,117	(5,073,906)	(1,090)	-	8,374,938
2020 CHARITY	At 1 April 2019 £	Income £	Expenditure £	Gains/ (losses) £	Transfers £	At 31 March 2020 £
Unrestricted funds:						
General fund	4,454,453	2,742,589	(2,941,702)	(1,090)	167,779	4,422,029
Designated funds						
Fixed assets	2,573,730	-	-	-	(151,331)	2,422,399
Subsidiary	2	-	-	-	-	2
Property refurbishment and development	1,058,753	-	-	-	-	1,058,753
Unrestricted funds	8,086,938	2,742,589	(2,941,702)	(1,090)	16,448	7,903,183
Restricted funds:						
Hospice Education	53,274	1,926	(9,050)	-	32,066	78,216
Homely Remedies		10,000	(3,335)	-	-	6,665
Inequalities Training	13,721	-	(2,048)	-	(11,673)	-
Community Services	177,374	1,261,582	(1,152,621)	-	(1,838)	284,497
MPET Funding (HMR)	17,520	-	-	-	(17,520)	-
Springhill Crafts	14,990	2,700	(408)	-	53,274	70,556
Other Income and Grants	-	247,477	(188,038)	-	(17,483)	41,956
	8,363,817	4,266,274	(4,297,202)	(1,090)	-	8,385,073

20. ANALYSIS OF ASSETS AND LIABILITIES BETWEEN FUNDS

	Unrestricted funds £	Restricted funds £	Total £
2021 GROUP			
Tangible fixed assets	2,575,125	-	2,575,125
Long leasehold of land	28,000	-	28,000
Investments	961,847	-	961,847
Current assets	5,352,348	149,167	5,501,515
Current liabilities	(384,947)	-	(384,947)
At 31 March 2021	<u>8,532,373</u>	<u>149,167</u>	<u>8,681,540</u>
2021 CHARITY			
Tangible fixed assets	2,285,986	-	2,285,986
Long leasehold of land	28,000	-	28,000
Investments	961,947	-	961,947
Current assets	5,589,774	149,167	5,738,941
Current liabilities	(288,365)	-	(288,365)
At 31 March 2021	<u>8,577,342</u>	<u>149,167</u>	<u>8,726,509</u>
2020 GROUP			
Tangible fixed assets	2,690,078	-	2,690,078
Long leasehold of land	28,000	-	28,000
Investments	959,278	-	959,278
Current assets	4,603,160	428,616	5,031,776
Current liabilities	(334,194)	-	(334,194)
At 31 March 2020	<u>7,946,322</u>	<u>428,616</u>	<u>8,374,938</u>
2020 CHARITY			
Tangible fixed assets	2,422,399	-	2,422,399
Long leasehold of land	28,000	-	28,000
Investments	959,378	-	959,378
Current assets	4,701,135	428,616	5,129,751
Current liabilities	(207,729)	-	(207,729)
At 31 March 2020	<u>7,903,183</u>	<u>428,616</u>	<u>8,331,799</u>

21. EMPLOYEE RETIREMENT BENEFITS

Group and charity

The charity has three pensions schemes for staff and these are described below.

Pension Scheme	Contributions	Recognised in
	Paid	SoFA
	2021 £'000	2021 £'000
NHS Pension	148	148
Aegon	142	142
NOW	16	16
	<u>306</u>	<u>306</u>

National Health Superannuation Scheme

The Hospice is an admitted body for the purposes of the National Health Service Superannuation Scheme and members of staff who are former NHS employees are able to continue membership of the Scheme during their employment at Springhill.

The assets of the scheme are held separately by the National Health Service Superannuation Scheme.

Contributions to the scheme are charged to the Statement of Financial Activities so as to spread the cost of pensions over employees working lives with the group. This pension scheme does not have a real pension fund. But as a statutory scheme, benefits are fully guaranteed by the Government. Contributions from both members and employers are paid to the Exchequer, which meet the cost of increasing benefits each year by the rate of inflation. This extra cost is not met by contributions from scheme members or employers.

As a result of the nature of the pension scheme, there are no separately identifiable assets and liabilities which can be identified as relating to Springhill Hospice (Rochdale) therefore, the scheme has been accounted for as a defined contribution scheme.

The pension cost charge for the year amounted to £147,668 (2020: £142,276). An amount of £20,490 (2020: £19,316) is included in creditors, being the outstanding contributions to the scheme at the balance sheet date.

Corporate Pension Scheme

The corporate pension scheme is operated by Aegon. Employee contributions are collected by Springhill Hospice and with the 14% employers contribution passed to Aegon.

All the assets of the scheme are held by Aegon. As a result there are no separately identifiable assets or liabilities which can be identified as relating to Springhill Hospice. Therefore the scheme has been accounted for as a defined contribution scheme.

The pension cost charge for the year amounted to £142,004 (2020: £162,925). An amount of £14,984 (2020: £18,025) is included in creditors, being the outstanding contributions to the scheme at the balance sheet date.

21. EMPLOYEE RETIREMENT BENEFITS (continued)

NOW autoenrolment Scheme

Eligible employees are automatically enrolled in to the NOW pension scheme.

Employee contributions are collected by Springhill and passed to NOW.

All the assets of the scheme are held by NOW. As a result there are no separately identifiable assets or liabilities which can be identified as relating to Springhill Hospice. Therefore the scheme has been accounted for as a defined contribution scheme.

The pension cost charge for the year amounted to £15,873 (2020: £14,062). An amount of £3,743 (2020: £3,351) is included in creditors, being the outstanding contributions to the scheme at the balance sheet date.

22. FINANCIAL COMMITMENTS

Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases:

GROUP	2021		2020	
	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Leases which expire:				
within one year	8,800	-	8,800	1,107
between one and five years	-	-	-	-
after five years	-	-	-	-
	<u>8,800</u>	<u>-</u>	<u>8,800</u>	<u>1,107</u>
CHARITY	Land and buildings	Other	Land and buildings	Other
	£	£	£	£
Leases which expire:				
within one year	-	-	-	1,107
within one to five years	-	-	-	-
over five years	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,107</u>

23 RELATED PARTY TRANSACTIONS

All transactions between the charity and its subsidiary, Springhill (Services) Limited, are eliminated on consolidation.

No trustee received payment for professional or other services supplied to the charity during the year (2020: Nil)

The total value of donations received from the trustees during the year was £1,012.50 (2020: £40).