




hospice for children and young people

**Cope Children's Trust
Trustees' Annual Report and Accounts
Year ended 31 March 2021**

Company Number: 02743297
Registered Charity Number: 1014051

1. Introduction

Helen's Story

In her little life, six-year-old Helen has had countless operations and spent months in hospital but her parents describe her as such a happy girl.

The family have been supported by our charity over the years and have missed being able to visit our hospice because of the Covid-19 crisis.

"We have been going to Rainbows since Helen was two and we are missing it so much at the moment," said Leigh. "I also attend various parent groups and find they are so helpful and useful. It is good to speak to other parents and I know that my Family Support Worker is always there for us."

At birth, Helen had bleeds on her brain, a heart defect, and Tracheo-Oesophageal Fistula - when a connection doesn't form properly between the oesophagus and trachea. She also contracted Meningitis twice. After five months, and various operations, she appeared to improve and parents Leigh and Roger were able to finally take her home.

"When she came home, Helen was having trouble with her feeds and one night I was so worried about her, I took her to A&E," said Leigh. "She was severely dehydrated and stayed in hospital a week. While she was in hospital, she began to bleed from her mouth but no one seemed to know why. She was transferred to Birmingham Children's Hospital but while waiting to go, she stopped breathing and had to be resuscitated, they informed me that if she had another incident she probably wouldn't make it."

Helen's illness seemed a mystery but after numerous tests, medics diagnosed her with varices - veins which are enlarged or swollen, which can leak or rupture, causing the bleeding.

"After various procedures Helen was allowed home but after three days while being put down for bed, she bled in her cot and lost a lot of blood," said Leigh. "At A&E medics had to resuscitate her again, this time for seven minutes. It was so scary. She was admitted to PICU and spent the next seven months in hospital."

Leigh and Roger knew Helen would need major surgery and this came when she was just nine-months-old. But after two weeks, she bled again which led to Sepsis. Eventually, Helen's spleen, and consequently the varices, were removed.

"A number of times the hospital said she wouldn't make it and people prayed for her. I thought she wouldn't come through it. It was so hard. We had been told she could bleed to death at any time."

"But Helen is so happy. She absolutely loves her family; she has four older siblings. I remember her first birthday was in PICU and she was so content.

"Helen is unable to do anything for herself, as she also has Cerebral Palsy. It is full on looking after Helen and I have to sleep in the same room as her, so when she is at Rainbows, we can have a break from caring to go on holiday or I can just get a full night's sleep. Rainbows is such good support and when Helen is there, it gives us quality time as a family and we can do things with our two sons, who both have Down Syndrome.

"It is very scary looking in to the future but she has always been a little fighter and we know she will continue to fight. We are so thankful for the support of Rainbows."



Who we are and what we do

Cope Children's Trust is a registered charity which is based in Loughborough, Leicestershire. The charity operates Rainbows Hospice for Children and Young People. The hospice based at Lark Rise provides care and support for children and young people who have a life-limiting or life-threatening illness and for their families from across the East Midlands.

Rainbows opened its doors in 1994, was officially opened by Prince Charles in 1995 and in 2019 celebrated 25 years of care.



Our Vision

The Rainbows Experience wherever you are.

Our Mission

Across the East Midlands we will:

- transform care for those Children and Young People who have a life-limiting or life-threatening condition.
- relieve the pain and symptoms associated with life-limiting or life-threatening conditions.
- support every child and young person to achieve their full potential.
- create memories for families to treasure.
- provide comfort and compassion at the time of and following the death of a child or young person.

We provide the following services as part of the holistic care to our users

End of Life Care	Symptom Control	Respite Care
Hydrotherapy	Music Therapy	Physiotherapy
Multi-sensory	Specialist Play	Complementary Therapy
Family Support	Neo-natal Support	Youth Support
Bereavement Support	Social Support	At Home Support Services
Sibling Support	Psychological support	Complex Care

Introduction from the Chairman of the Board of Trustees

I write this foreword, mindful of the struggles and challenges the country has faced over the past year with the Covid-19 pandemic. I would like to take this opportunity to offer my admiration and appreciation of the efforts of all key workers in how they have responded and adapted to the unprecedented challenges thrown at them during this time.

Rainbows, under the leadership of Dee Sissons, CEO, have shown themselves to be a great team. Their response to the crisis; the strategic insights that have been developed; rapidly converted into flexible and responsive plans and which have in turn been implemented positively by all members of the team, does the organisation great credit and to them I reserve my biggest thanks and wholehearted respect.

Looking back on what was a very demanding year, I reflect on the departure of our valued and respected Trustee Jane Williams who had given her time tirelessly in supporting Rainbows. We wish her well and are grateful for her contribution as a Trustee. We welcomed Dr Gail Allsopp and Christina Brookes as new Trustees who have already made valuable contributions.

It has been the third year of working with Dee Sissons as CEO. I have enjoyed working with her as she continues to build a high performing team and build on the delivery of our agreed 2020-2025 strategy.

We said a fond farewell to Ronald Graham, Director of Business Resources, in March who retired having provided eight years of service to the Hospice. The Rainbows team rose to the challenge of marking Ronald's departure within the virtual, Covid safe world and came up trumps. Everyone was grateful that I avoided the virtual sing-a-long!

Just as we said a fond farewell to Ronald, we were able to give a warm welcome to Glyn Rees-Jones who was able to take up the role of Director of Business Resources. Glyn has quickly become a trusted and respected member of the team.

Inevitably, Rainbows has not been immune from the seismic shock of the Covid-19 pandemic. Our underlying strategy is to continue developing our services to provide the Rainbows experience wherever a family resides within the East Midlands. During the past year the charity funding landscape has been affected by the economic impact of the pandemic and we will need to give an even greater regard to finances in the future. At the same time, the organisation has

shown itself to be nimble and responsive to change. I am confident we have learnt a great deal from new ways of working and there will be continued opportunities to innovate in the delivery of our much needed services to the children and young people of the East Midlands with life-limiting and life-threatening conditions.

As I have stated in previous years, this past year has demonstrated how we need to adapt our response and behaviours to the changing landscape demanding flexibility, responsiveness, innovation and careful use of resources.

The financial statements report a strong financial position for Rainbows and the Trustees have taken the decision to designate a proportion of the reserves to fund investment in our strategic aims. Despite this strong financial position however, Rainbows is mindful of the potential longer-term impact of the pandemic and the underlying risks to our income, something we continue to monitor at Board level.

It is a privilege to be Chairman of an organisation that has staff, volunteers and supporters who give so selflessly to make a difference to the children and young people and families who use Rainbows. Despite the hardships suffered by all and the economic impact of the pandemic, our supporters have continued to give generously of their thoughts, prayers, time and money.

To you all, on behalf of the Board, I extend our gratitude and best wishes.

Paul Stothard - Chairman



Overview of the impact of Covid-19

The Senior Leadership Team continued to meet throughout the year, either in person or virtually. The situation with regards the pandemic was managed closely, with circumstances responded to as the need arose. The Charity took appropriate measures to protect the children and young people visiting the hospice, our staff and volunteers.

Throughout the pandemic crisis the hospice has continued to provide services to the children, young people and families that we support as well as providing support to the NHS. The day care service was suspended during the national lockdown in April 2020 and has not re-opened due to government guidelines.

Our provision of respite/short breaks has been on hold but we have continued to support end of life and symptom control throughout. This was partly led by the family's protecting their vulnerable children and young people by not booking or taking up their normal respite stays at the hospice.

Alongside this, we partnered with our local hospitals by using our spare capacity to support children, mainly providing stays for those who could be moved to provide much needed bed capacity at the hospitals. We have developed new ways of supporting our children and young people by providing support at home or when required, emergency stays at the hospice.

The Family Support Team developed new ways to provide our support services to the wider family using mobile technology and internet forums. During the first few weeks of the original lockdown the team contacted families to advise them of what we were doing to support them.

The Supporter Relations team were substantially furloughed for the first half of the financial year with a skeleton staff supporting donors. We were unable to carry out many of our planned events and some activities throughout the year were diverted to virtual events.

We carried out two direct appeals during the year. Unfortunately, the shops were closed for a substantial part of the year but when open traded at higher overall turnover than in the same periods last year.

A number of the administration and support teams were also furloughed and whilst some of them returned to work after the initial lockdown the majority continued to work from home.

We have supported those working at home by providing them with suitable equipment as well as financial and wellbeing support. The Senior Leadership Team have made video messages during the lockdown to keep staff informed of our plans and actions and Managers have kept in regular contact with staff.

The current Roadmap for rolling back national restrictions is being adhered to whilst maintaining a safe environment for our children, families, staff and volunteers by monitoring guidance from the Government and Public Health England. We are also reviewing the way our non-clinical teams work and establishing what a return to work will mean for them.

The Board of Trustees have been briefed regularly by the Senior Leadership Team to ensure governance is maintained during the pandemic.

Financial impact

The results as detailed in the statement of financial activities on page 21 reflects the changes in income streams which amongst others saw a fall in donations of £210,000 and a fall in income from events of £359,000.

This was offset by NHSE Covid-19 funding of £801,000 to allow for bed capacity and community support throughout the pandemic year.

Staffing costs reflect a reduction of £126,000 as shown in note 9. This resulted from a freeze on recruitment without impacting on providing a safe and quality service.

During the year £330,000 of furlough payments were received.



2. Our Strategic Report

How we work

Organisation

The Board has overall remained stable during the year. The Board met quarterly during the year with other away days or meetings as necessary including a strategy away day with the Senior Leadership Team. In between the Board Meetings both Governance Committees met. The Clinical Quality Assurance Committee have met five times during the year. The Corporate Governance Committee have met six times. The Audit Committee met during the year to receive the Auditors report on the Annual Report and Accounts. Due to Covid-19 restrictions and given that the majority of these meetings have been held and continue to be held virtually, trustees have not been as visible to the staff and volunteers this year but it is hoped that we can engage their physical participation next year.

Our Senior Leadership Team saw some changes during the year with the retirement of our Director of Business Resources, Ronald Graham, and the appointment of his successor Glyn Rees-Jones. March also saw the departure of our Director of People, Jane Nunn, with the recruitment process underway and anticipating a new Director of People in post by the end of September 2021.

The charity continues to develop the role of the Operational Leadership Team involving the Heads of Department and members of the Senior Leadership Team. The Operational team are integral to the decision making and performance monitoring processes. They are consulted on developments in strategy and policies and procedures.

Purpose built facilities

We operate the charity and run the hospice from the Rainbows site at Lark Rise in Loughborough. The hospice is a purpose built unit that houses 14 bedrooms, two quiet rooms, a therapy suite, offices and extensive grounds with gardens for play and quiet reflection. During 2021-22 we will be revisiting the footprint of Lark Rise to ensure we are making the most of available space and meeting environmental targets.

Staff training and development

Our care and other professional teams are committed to continuous professional development.

The Care Team are well qualified and experienced and are supported by specialists in play, physiotherapy, complementary therapy and music therapy. The team are supported by dedicated administrators, housekeepers and catering staff.

Twenty-four-hour medical support is provided by a team of local GPs with expertise and qualifications in children's palliative care.

The charity has a Supporter Relations team who raise the funds to enable the Charity to carry out its charitable purpose.

The Business Resources and People teams provide support functions to the hospice such as finance, IT, estates, facilities, health and safety, human resources and learning and development.

Developing the next generation of Hospice professionals

Rainbows supports a wide range of learning and development activities for staff and volunteers to meet mandatory requirements, develop role specific skills and address personal development needs identified through the appraisal process.

We have run a number of organisational development courses involving all staff and Trustees across the charity. This programme will continue.

During the year the charity financially supported a nurse to attend the Masters course in Paediatric Palliative Care in Cardiff, and the knowledge they gain will be shared with colleagues back at the hospice.

We work closely with local universities to support the needs of medical students. We support students on placement at Rainbows and offer clinical expertise, education and training in palliative care across the region and further afield.

We run palliative care courses at different academic levels to meet the identified training needs of internal staff and others external to Rainbows. We have also introduced a 'monthly' learning and development focus within the Care Team to ensure competence is maintained or to improve knowledge for new techniques.

The Charity is committed to being a learning and development organisation. Two of the members of Supporter Relations have successfully completed the certificate in fundraising.

Covid-19 has presented us with opportunities to develop and enhance the skills of our nursing workforce by working in partnership with the NHS. We are continuing to develop, embed and utilise these skills in our future service provision proposals and remain committed to supporting the wider healthcare system by maintaining strong relationships built during this challenging time.

Volunteers

Without the generosity of the people and organisations of the East Midlands, Rainbows would simply not exist. Volunteers are an integral part of the Charity.

In addition to our regular active volunteers, we are also supported by many volunteers in the form of "Friends" groups and individuals. They help us on an ad hoc basis with promoting Rainbows in their community, fundraising and event support, as well as organising their own fundraising initiatives.

We have continued the scheme to develop volunteering within the Care Team.

In retail, we have continued our links with organisations to provide work placement opportunities for people looking to gain practical work experience. The positive benefit of these links is that many participants have signed up as regular volunteers at the end of their placement.

Our volunteers are also recognised externally. An example of this being our gardening volunteers, who work tirelessly to keep our gardens looking amazing, winning the highest award in the "It's your neighbourhood" category as part of the RHS Britain in Bloom campaign.

Covid-19 limited our normal volunteer activity but collectively they still donated 8,015 hours to the hospice which is equivalent to approximately four FTE's. At an average annual salary, including on costs, this would value their time at £126,000.



Our priorities and objectives

Purpose

The purpose of the Charity, as set out in the governing document, is to promote the relief of illness and suffering amongst the children and young people of the East Midlands with life-limiting or life-threatening conditions.

Aims

To provide emergency palliative and end of life care and short breaks, to children and young people with life-limiting or life-threatening conditions and to provide family and bereavement support to their families.

The objectives of the charity are:

- to meet the needs of the children, young people and their families with life-limiting or life-threatening conditions across the East Midlands.
- work in partnership with children, young people, their families and carers to provide accessible, flexible and friendly home from home services.
- to be a place that offers support, relaxation and rest, enriching quality of life through individualised holistic care which meets identified physical, emotional, psychological, spiritual and cultural needs.
- to provide the highest quality of family centred care to life limited children, young people and their families. The interdisciplinary team provides an evidence based, holistic approach to respite and end of life care, symptom control and bereavement support.

The hospice offers dynamic forward-thinking services meeting ethnic, cultural, religious, spiritual, and care needs of those using the services.

Significant Activities for Public Benefit

In Hospice Care

Care at the hospice in Lark Rise is made available to all children and young people who meet the medical criteria laid down by the charity. Each has an allocation of nights they can attend the hospice during the year. We have slightly reduced the number of nights available due to increased demand for complex care and end of life stays.

Each child and young person has an individualised care plan that details all of their care needs and choices, including information about the ways in which they would like to communicate with their carers.

Outreach Service

We continue to develop outreach services to include care and support in the home at the end of life, increasing our reach to all communities within the East Midlands.

Rainbows in Hospital

We also support a number of hospitals with our Neo-Natal Nurse going into each unit. We provide expert clinical advice to staff and emotional support to families and staff.

Family Support

Families of children with life-limited conditions are often overwhelmed by the challenge of caring for their children; the complexities of working with many professionals, services and appointments; the difficulties of maintaining family life and employment; and can be isolated in the community. Accessing hospice care from Rainbows helps by providing them with relief from the day to day responsibility of care; expert care for their sick child and support for the whole family, including siblings.

When a child or young person is referred to Rainbows, a member of our Family Support Team will contact the family to talk about what they can expect from Rainbows. The team works in partnership with Community Nursing Teams and Social Care Providers to support families in the community, as well as when they are resident at the hospice.

The Family Support Team offers a range of services including spiritual and cultural support and benefits advice. We have a bereavement co-ordinator and counsellor who offers support with end of life care planning and in all aspects of bereavement care.

Our achievements and performance

Providing day care for young people

Due to Covid-19 we have been unable to provide day care throughout the year and we do not envisage it will return to Lark Rise.

Getting full use of our facilities

Normally we enable families to access the facilities on a number of weekends and make the facilities in our Therapy Wing available to some external groups, including other local charities and mother and baby groups. This unfortunately has not been possible over the past year.

Rainbows is an integral part of the East Midlands Children and Young People's Palliative Care Network and hosts regular meetings throughout the year.

Statement on Public Benefit

The charity provides public benefit through the operation of a hospice for children and young people with life-limiting and life-threatening conditions and through the provision of family, community and bereavement support. The Trustees confirm that they have complied with the duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission in determining the activities undertaken by the charity.

Criteria for measuring success

The Trustees' criteria for measuring success is to ensure the Charity continues to develop its services and reaches more children and young people who could benefit from the services we offer. We also seek to ensure our operating costs are well controlled whilst maintaining the quality of service delivery and that we maintain a level of income and reserves to ensure the sustainability of the Charity.

Care

Last year, we finalised our Vision for Care and developed our Strategic Aims which form the basis of how the organisation will move forward on care provision in future, over the years to come.

We reached out to more families across the East Midlands during the year and have continued to provide outstanding care at our hospice in Loughborough. During the year, we continued the work of providing care for some of our region's most poorly children. And once again, this care was made possible because of the ongoing support we receive from our donors.

We continue to work with adult hospices and other services on ways in which we can successfully transition our young adults.

We recognise that we only reach 33% of those children who could benefit from Rainbows within the East Midlands and part of our strategic aim going forward is to increase the number of children we reach.

Despite the pandemic, below are some of the services we provided always ensuring these were in line with the latest Government guidelines. More details can be obtained from our 2021/22 Quality Account.

- end of life care
- symptom control
- step down beds to support the NHS
- developed and implemented hospice at home services
- 66% of total referrals related to neo-natal
- provided virtual family support to an average of 100 families per day

Investing in Technology

Our IT strategy has been formulated and work is under way to implement this. We are investing in future proofing our IT capability by transitioning from server-based systems to cloud hosted and ensuring all new software systems will become fully integrated thereby providing greater efficiencies and economies. We are grateful to our Trustee, David Wilson, for his valued support and guidance.

Looking ahead - 2021 and beyond

Having obtained Board approval for rolling out our nurses in hospitals we have been rather preoccupied with the day to day impact of Covid-19. However, we remain committed to extending our reach in the future by increasing the number of nurses within hospitals as well as increasing Rainbows services at Lark Rise and in the community.

Learning from the Covid-19 crisis has shown us that there is much room to develop our technology and use of it to improve service delivery as well as communicating and recording data. We have proven that we can work from home, so what do we do with the offices at Lark Rise?

We are unsure what demand there will be for respite stays/short breaks in the short to medium term and given the extreme vulnerability of our children and young people we are moving towards a needs-based assessment for respite care during this next phase of the pandemic.

The continuance of social distancing will be a part of our everyday life and we need to bear that in mind when planning services.

As we emerge from the Covid-19 crisis there are likely to be opportunities to develop further partnerships and the potential for more commissioned services in the future.

It is important that the links we have built up through the crisis are not lost but built on to work in true partnership with other professionals and the wider health and social care community. Rainbows is not an island but a part of the health community and the wider community.

It is important we hear the voice of the child and the family in all of our strategic decisions and changes to services. We must ensure we build services based on the changing needs of our community and the evidence from research such as Lorna Fraser's 'Making Every Child Count'.



Sadly, some children just don't live long enough.

Since 1994 we have opened our doors and hearts to those children, young people and the people who love them most. And now more than ever, we need your help to keep on bringing care and happiness to our children, young people and their families.

Help brighten short lives

Principal risks and uncertainties

Through the risk management processes established for the charity, the Trustees are satisfied that the major risks identified have been adequately mitigated where necessary.

Major risks are identified and ranked in terms of their potential impact and likelihood; there are those which have a high likelihood of occurring and would, if they occurred, have a severe impact on the operational performance, achievement of aims and objectives or could damage the reputation of the charity, changing the relationship between Rainbows and our Trustees, supporters or beneficiaries.

As a charity providing care for children, young people and their families all staff have a responsibility to ensure the safeguarding of children, young people and vulnerable adults. In order to fulfil our responsibilities and mitigate risks, DBS checks are routinely performed on new and existing staff and volunteers where appropriate to do so. Trustees, staff and volunteers attend statutory and mandatory training, adhering to local Safeguarding Children and Adults Boards' policies and procedures and inter-agency guidance. The charity has appropriate policies and procedures in place, employs a Safeguarding Lead and the Executive Nurse & Director of Clinical Operations has responsibility for oversight of this activity.

The annual review has identified only a few minor risks but this has resulted in improved procedures and contingency plans and has given the impetus for better planning. Particular attention was focused on non-financial risks which might arise from shortages of qualified and experienced staff which could affect the charity's ability to comply with healthcare requirements.

A key element in the management of financial risk is the setting of a reserves policy and its regular review by the Trustees. The policy is informed by forecasts of future income levels, expenditure in future years, and an analysis of future needs, opportunities and contingencies of risk. If and when these risks arise, an assessment of the likelihood of each of those events arising and the potential consequences for the charity of not being able to meet them are also considered.

From an employment perspective, the charity aims to recruit and maintain a motivated, skilled workforce, providing training and support as appropriate. We maintain high standards in employment practices to ensure the fair and efficient use of our most valuable asset, our people.

Low risks have been brought together in a "low risk register" so that we do not lose sight of these risks even if we consider them to have a low severity or impact at the time they were considered.

The Covid-19 crisis has presented the charity with significant risks to its staff, volunteers and users if they should contract the virus. There is also potential risk to our income streams as we emerge from the pandemic and seek clarity on whether the economic downturn has impacted our donors, funders and supporters. The Executive Team are working on alternative income streams to mitigate this risk going forward.



Financial Review

Results for the year ended 31 March 2021 are shown in the Consolidated Statement of Financial Activities on page 21. This, together with the Consolidated Balance Sheet on page 21, should be read in conjunction with the related notes which have been produced in accordance with the Charities SORP (FRS102).

The Trustees are pleased with the result for the year recognising the Covid-19 pandemic and the uncertainties and challenges this has presented.

Where our income came from in 2020/2021



Total income in the year grew by 6.3% from £6,751,000 to £7,180,000, which is an excellent result for the year in the current climate.

The above increase includes £801,000 from NHSE, to allow for bed capacity and community services throughout the year, as well as furlough payments of £330,000. These additional income streams, alongside the staff cost savings, offset the reduction in fundraising income during the year.

Our supporters, donors, funders and volunteers are incredible and never fail to amaze us with their dedication and commitment to helping the children, young people and families that we support at Rainbows. We cannot thank enough each and every one of them for all they do and give in support of our cause.

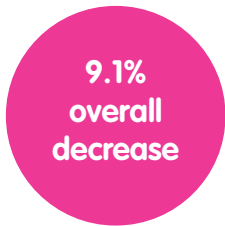
Thank you so very much.

How we spent your money in 2020/2021

Total expenditure during the year decreased by 9.1% from £6,588,000 to £5,986,000.

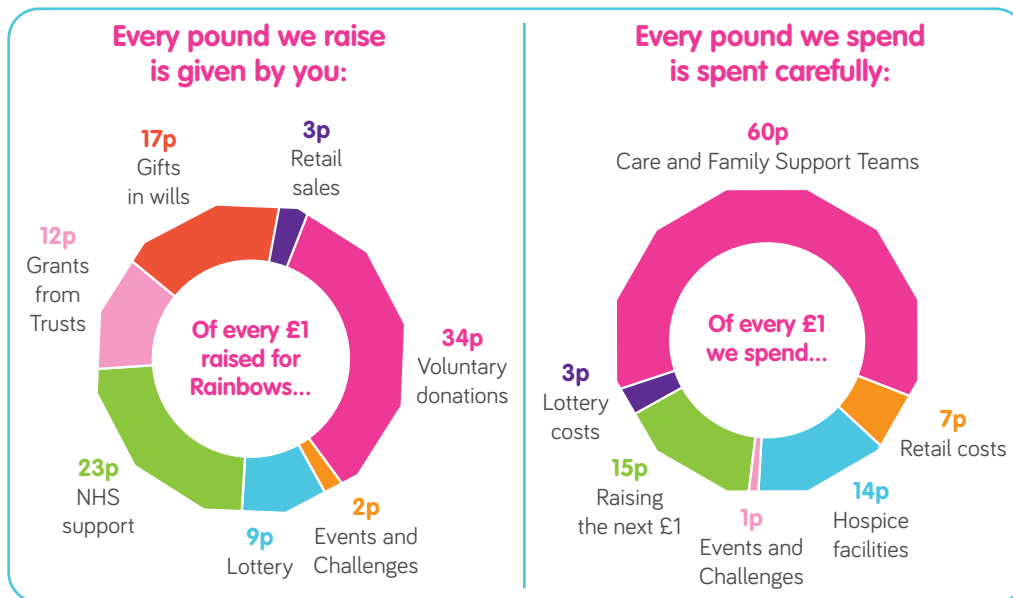
Expenditure on fundraising activities has decreased to £1,634,000 from £1,958,000 in the previous year.

Overall charitable spending decreased during the year from £4,630,000 to £4,350,000 and is 73% of the total expenditure for the year (2020 70%).



We aim to maximise the value of all donations by obtaining best value for money on all our operating costs. We exercise restraint on pay increase costs having due regard to the economic climate and other sector awards. Cost savings are never made at the expense of the quality of care we provide.

Staff employment costs were the largest item of expenditure in the year at 74% of total costs, and they represent the salaries of the care team within the hospice and the team of staff who provide support throughout the hospice and in the community.



Investment Policy

The Trustees, having regard to the liquidity requirements of operating the hospice and to the reserves policy, have operated a policy of keeping a large proportion of available funds in interest bearing deposit accounts and seek to achieve a rate of deposit interest which matches or exceeds inflation. However, the Trustees have placed the security of cash deposits above possible financial return. Where monies are available that are not needed to fund immediate charitable activities, the Trustees have appointed investment managers on a discretionary basis. Regular communication is maintained between the investment managers and the Corporate Governance Committee relating to all portfolio changes. The Trustees exercise the “duty of care” described in the Trustee Act 2000 with regards to all investments.

Reserves Policy

The charity's reserves are detailed in note 17 and 18 to the accounts.

The review of current and future predicted reserves, in line with forecast management accounts performance and cashflow requirements, demonstrates robustness and reassurance in relation to ISA 570 Going Concern.

The Trustees have established the level of reserves using the methodology outlined in the Charity Commission Guidance so have considered the level of required reserves based on the assets used in the charity and the risk to the charity and likelihood of an event occurring. This ensures that where reserves are needed to bridge any funding gaps between running the hospice and income being received, and events, commitments or emergency requirements, funds are available. This enables us to continue our current activities and fund short term expenditure should external funding drop significantly.

A review was carried out by the Director of Business Resources, the CEO and the Treasurer based on the Charity Commission Guidance on Reserves. The Trustees consider the level of required reserves to be £3,698,000 (2020 - £3,690,000) based on the report presented to them and agreed that both the policy and its implementation will be reviewed annually. The total free reserves at 31 March 2021 was £3,986,000 (2020 - £5,291,000). Note 18 details the analysis of reserves of the charity.

The Trustees consider it appropriate to retain the surplus reserves held for prudence in an uncertain economic climate and so that future strategic service developments can be pursued. We are in a positive position in that our surplus reserves will enable us to build our strategic aims in a sustainable way and allow for improvements in the utilisation of technology in our work. To facilitate these strategic aims Trustees have agreed to £3,093,000 of designated reserves.

Review of subsidiary company performance

Shop trading was interrupted throughout the year dealing with the effect of lockdowns as a result of the Covid-19 pandemic. Company results are shown in note 12 to the accounts.

The charity has five shops and their financial performance improved collectively as a result of receiving furlough payments as well as taking advantage of rent and rate reductions due to the Covid-19 pandemic. The subsidiary made a net profit of £21,367 (2020 - £3,688) for the year.

The Directors continue to review the development of retail activities as we gain an understanding of the economic climate post lockdown restrictions.

Review of investment performance

Brewin Dolphin and St James's Place have acted as investment managers to the Trust during the year. Investments made by the advisors on our behalf are within the risk classification "Cautious with Risk".

This year the performance of the investment portfolio, which is benchmarked against the WMA Private Investors Income Index (Total Return), has demonstrated recovery from its position at 31 March 2020. At the year end the portfolio reflected a gain, on a total return basis, of 14.40% compared with the benchmark of 19.68%.

The Trustees carry out an annual review of the investment managers' performance.



3. Statement on Fundraising Activities

Rainbows has a team of fundraisers who are employed by the charity. This team of fundraisers, part of the Supporter Relations department, supports individuals and groups that fundraise on our behalf. They also raise funds from individual donors, events, companies and grant making bodies to secure the funds needed to keep the Hospice in operation year after year. The department is split into four teams which reflect the different focus areas for our fundraising activities.

The four departments are:

1. Individual Giving (which includes our lottery and gifts in wills)
2. Organisational Giving (focusing on companies and grant making bodies)
3. Community and Events
4. Retail

The teams all work collaboratively on all aspects of funding including major donors and gifts in wills and in all cases are working towards improving the sustainability of income by developing long-term relationships with donors. This is achieved by promoting regular giving through the lottery, business club or other donation means and encouraging regular donations and multi-year grants or awards.

In addition to our in-house team, we have a commercial contract in place with Burden & Burden for the recruitment of new lottery players, which continues to have a degree of success as shown in the following chart. All Rainbows fundraising activity complies with the Code of Fundraising Practice.

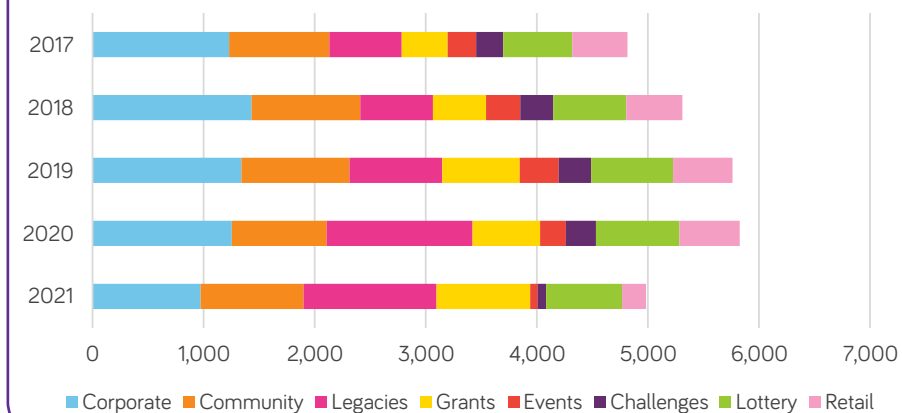
Where fundraising activity is taking place on our behalf (for example Burden & Burden or supporters putting their own events on for us) we ask that the Codes of Practice are followed. In some cases (as required by the Code of Fundraising Practice) we insist on a Commercial Participator Agreement being signed by all parties. Rainbows is registered with the Fundraising Regulator.

There is no occurrence of non-compliance with the Fundraising code.

In the year ended 31 March 2021 there were no significant matters of complaint that required further action.

The charity protects vulnerable people including its users by having appropriate checks and balances in our promotion of the charities fundraising activities to them and ensuring staff are aware of our responsibility in this area.

Income by Source £'000



4. Structure, Governance & Statement of Trustees' Responsibilities

Governing Document

Cope Children's Trust, operating as Rainbows Hospice for Children and Young People, is a registered charity and a Company limited by guarantee with one trading subsidiary, namely Cope Marketing Ltd. Rainbows Hospice in Loughborough is primarily engaged in the provision of specialist respite, symptom control, palliative and end of life care for children and young people with a life-limiting and life-threatening conditions. The governing document of the charity is the Articles of Association of the Company dated 2018. Having completed the review of the articles these were approved by the Board and the Charity Commission and adopted during 2019.

Charity Governance code

The charity has its own Framework for Board and Governance which is drawn up in line with the Charity Governance Code and there are no material departures therefrom.

Recruitment and Appointment of Trustees

Trustees are appointed in accordance with the Articles of the Company and serve for an initial period of three years. An audit of the Trustees' skills and a review of available skills is completed annually and also undertaken in relation to any vacant positions. All Trustees are also directors of the Company limited by guarantee. The articles state that all trustees serve a term of three years and may stand for two further terms. Thereafter trustees may be elected for further periods on an annual basis.

Trustees may from time to time elect a Chair and one or more Vice Chair. The Chair may be re-elected once and serve a maximum of six years.

Trustee induction and training

New Trustees undergo an orientation day to brief them on their legal obligations under Charity and Company Law, the content of the Articles of Association of the Company, the sub-committee and decision-making processes, the business plan and recent financial performance of the charity. During the induction day they meet key employees and other Trustees. Training needs are discussed annually with the Chair as part of the appraisal process and Trustees can access training from a variety of sources. There are Trustee/Senior Management "away days" including training, education and strategic planning. All Trustees and senior management receive safeguarding training to enable them to monitor the charity's responsibilities in this area.

Organisation

The Board of Trustees administers the charity. As a registered charity, a limited Company, an employer and a provider of health services to vulnerable children and young people, Cope Children's Trust faces complex legislative and inspection arrangements. The Trustees have the responsibility to ensure that all the activities comply with best practice and that reliance can be placed on well documented procedures that are consistently applied. Two groups have been established to check that adequate procedures exist and to monitor by inspection that they are used effectively: a 'Corporate Governance' committee, comprising both Trustees and senior managers, and a 'Clinical Governance' committee, consisting of suitably qualified Trustees, the Director of Care and the Medical Director or his representative. Both committees report to the full Board of Trustees. To facilitate effective operations, the Chief Executive Officer has delegated authority, within terms of delegation approved by the Trustees, for operational matters including employment, finance, and the day to day running of the Hospice.

The Trustees confirm that all major risks have been reviewed and procedures have been established to manage those risks.

Related Parties

None of our Trustees receive remuneration or other benefits from their work with the charity. Any personal interest between a Trustee or senior manager and the charity's activities must be disclosed to the full Board of Trustees in the same way as any other contractual relationship with a related party. Transactions with related parties are disclosed in note 21 to the accounts. The charity's wholly owned subsidiary Cope Marketing Ltd was established for non-primary trading activities and when available covenants its profits to the charity.

Key Management personnel remuneration

The key management personnel are the Board of Trustees and members of the Senior Leadership Team who are detailed on page 16 and 17. The Trustees lead the strategic direction of the charity and act as an oversight Board to the Senior Leadership Team who manage the operational aspects of the charity on a day to day basis. The remuneration of the Chief Executive Officer and the Senior Leadership Team is reviewed and set annually by the Board of Trustees.

Statement of responsibilities of the Trustees

The Trustees (who are also directors of Cope Children's Trust 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 group and of the incoming resources and application of resources, including the income and expenditure, of the charitable company or 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
- make judgements and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

The Trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and 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
- 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.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guaranteees at year end was £13 (2020 - £11). The Trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The Trustees' annual report which includes the strategic report has been approved by the Trustees on date and signed on their behalf by

Paul Stothard (Chair of the Board of Trustees)

Date: 05/08/2021

5. Reference and Administration Details

Chair	Paul Stothard
Vice Chair	Sue Dryden Chan Kataria OBE
Treasurer	Angela Browning
Corporate Governance Committee	Chan Kataria OBE (Chair) Joanne Brunner Vipal Karavadra Richard Whall Angela Browning Dave Wilson

Clinical Quality Assurance Committee

Sue Dryden (Chair)
Jane Williams (retired August 2020)
Vijay Sharma
Matt Rooney
Dr Gail Allsopp (appointed May 2020)
Christina Brooks (appointed May 2020)

5. Reference and Administration Details (continued)

Founder	Harry Moore
President	The Duchess of Rutland
Vice President	Vacant
Patrons	Anne Davis
	Matthew Hoggard MBE
	Tony Jacklin CBE
	Chris Cohen
	Fiona Cairns
	Andy Abraham
	Ady Dayman
	Angela Rippon OBE
	William Roache MBE
	David Walliams OBE
	Nina Conti
	Rakhee Thakrar
	Sam Bailey
	Lydia Bewley
	Kwoklyn Wan

A special thank you to

The Late Willie Thorne

Company Secretary

Ronald Graham (retired February 2021)
Glyn Rees-Jones (appointed February 2021)

Senior Leadership Team

Dee Sissons – Chief Executive Officer
Julie Taylor – Executive Nurse & Director of Clinical Operations
Jane Burns – Director of Supporter Relations
Ronald Graham – Director of Business Resources – retired March 2021
Glyn Rees-Jones – Director of Business Resources – appointed February 2021
Jane Nunn – Director of People – retired March 2021

Contact Details

Charity number – 1014051
Company number – 02743297
Operating name – Rainbows Hospice for Children and Young People
Principal and Registered Office - Lark Rise, Loughborough,
Leicestershire, LE11 2HS

Auditor Sayer Vincent, London

Principal Bankers National Westminster bank plc, Leicester

Principal Solicitors Shoosmiths, Nottingham

Principal Investment Managers Brewin Dolphin, Leicester
St James's Place, Birmingham

6. Independent Auditor's Report to the Members of Cope Children's Trust (Limited by Guarantee)

Opinion

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

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 31 March 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
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011

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 group 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 Cope Children's Trust'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, including the strategic report, other than the group financial statements and our auditor's report there on. The trustees are responsible for the other information contained within the annual report. Our opinion on the group 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 group 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 group 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' annual report, including the strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements
- the trustees' annual report, including the strategic report, has been prepared in accordance with applicable legal requirements

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and Charities Act 2011 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 financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, 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 the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and section 151 of the Charities Act 2011 and report in accordance with those Acts.

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 are set out below.

Capability of the audit in detecting irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, our procedures included the following:

- we enquired of management, and the audit committee, which included obtaining and reviewing supporting documentation, concerning the group's policies and procedures relating to:
- identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- we inspected the minutes of meetings of those charged with governance.
- we obtained an understanding of the legal and regulatory framework that the group operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the group from our professional and sector experience.
- we communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- we reviewed any reports made to regulators.

- we reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- we performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- in addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are unusual or those outside the normal course of business.

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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the charitable company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 144 of the Charities Act 2011 and regulations made under section 154 of that Act. 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.

Fleur Holden (Senior Statutory Auditor)

for and on behalf of Sayer Vincent LLP
Charity Accountants, Statutory Auditor
Invicta House, 108-114 Golden Lane, London, EC1Y 0TL
Sayer Vincent LLP is eligible to act as auditor in terms of section 1212 of the Companies Act 2006

Date: 09/08/2021

7. Accounts and Notes to the Accounts

Consolidated Statement of Financial Activities Year ended 31 March 2021 Incorporating Income and Expenditure Account

	Notes	Unrestricted funds £	Restricted Funds £	Total 2021 £	Total 2020 £
Income from					
Donations and legacies	3	3,216,204	724,066	3,940,270	4,029,983
Charitable activities	3	279,017	1,342,426	1,621,443	778,538
Other trading activities	3	1,043,772	0	1,043,772	1,797,364
Investments	3	66,696	0	66,696	91,007
Other	3	507,445	0	507,445	54,077
Total		5,113,134	2,066,492	7,179,626	6,750,969
Expenditure on					
Raising funds	4	1,633,610	0	1,633,610	1,957,771
Charitable activities	5	2,237,362	2,112,476	4,349,838	4,630,093
Tax payable by subsidiary	10	2,338	0	2,338	0
Total		3,873,310	2,112,476	5,985,786	6,587,864
Net gains/(losses) on investments	12	449,560	0	449,560	(255,897)
Net income/(expenditure)		1,689,384	(45,984)	1,643,400	(92,792)
Net movement in funds		1,689,384	(45,984)	1,643,400	(92,792)
Fund balances at 1 April 2020		5,845,344	3,587,508	9,432,852	9,525,644
Fund balances at 31 March 2021	17/18	7,534,728	3,541,524	11,076,252	9,432,852

All income and expenditure derive from continuing activities.

The statement of financial activities includes all gains and losses arising during the year.

Group and Charity Balance Sheets At 31 March 2021

	Notes	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Fixed assets					
Tangible assets	11	3,666,380	3,867,579	3,757,507	3,962,392
Investments	12	3,668,461	3,207,570	3,668,463	3,207,572
Total fixed assets		7,334,841	7,075,149	7,425,970	7,169,964
Current assets					
Stock	13	10,850	10,397	0	0
Debtors	14	1,509,422	1,539,806	1,567,791	1,609,684
Cash at bank and in hand		3,329,363	1,660,070	3,318,212	1,643,214
Total current assets		4,849,635	3,210,273	4,886,003	3,252,898
Creditors: amounts falling due within one year	15	1,108,224	852,570	1,088,181	827,203
Net current assets		3,741,411	2,357,703	3,797,822	2,425,695
Total net assets		11,076,252	9,432,852	11,223,792	9,595,659
The funds of the Charity					
Restricted funds	17	3,541,524	3,587,508	3,661,261	3,710,330
Unrestricted funds	18	7,025,459	5,745,125	7,053,262	5,785,110
Fair value reserves	18	509,269	100,219	509,269	100,219
Total Charity Funds		11,076,252	9,432,852	11,223,792	9,595,659

As permitted by s408 Companies Act 2006, the Charity has not presented its own statement of financial activities and related notes. The charity's income for the year was £6,790,000 (2020 - £6,297,000). The charity's surplus for the year was £1,628,132 (2020 - deficit £108,993).

The accounts were approved and authorised for issue by the Board of Trustees on 05/08/2021 and are signed on its behalf by:

Paul Stothard - Chairman

Angela Browning - Treasurer

The notes on pages 22 to 37 form part of these accounts

Company Registration No. 02743297

Group Statement of Cashflows

	Notes	2021		2020	
		£	£	£	£
Net cash inflow from operating activities	20		1,670,779		346,138
Cash flow from investing activities					
Payments to acquire tangible fixed assets		(58,651)		(225,962)	
Receipts from sale of tangible fixed assets		1,800		0	
Payments to acquire investments		(452,643)		(739,883)	
Receipts from sale of investments		409,431		198,772	
Interest received		(1,415)		10,821	
Dividends received		60,491		72,836	
Rent received from investment properties		7,620		7,350	
Net cash outflow from investing activities			(33,367)		(676,066)
Net increase/(decrease) in cash or cash equivalents			1,637,412		(329,928)
Cash or cash equivalents at 1 April 2020			1,767,573		2,097,501
Cash or cash equivalents at 31 March 2021			3,404,985		1,767,573
Cash and Cash equivalents consist of					
Cash at bank or in hand			3,329,363		1,660,070
Cash at investment managers			75,622		107,503
Total			3,404,985		1,767,573



1. Accounting Policies

Company information

Cope Children's Trust (the Charity) is a Company limited by guarantee, domiciled and incorporated in England and Wales. The group consists of Cope Children's Trust and its subsidiary (the Group), Cope Marketing Limited. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £1 per member of the Charity. The address of the registered office is given in the reference and administration information on page 17.

Basis of preparation

The Charity constitutes a Public Benefit entity as defined by FRS 102. These financial statements have been prepared in accordance with: the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), Accounting and Reporting by Charities: Statement of Recommended Practice applicable to Charities applying FRS 102, the Charities Act 2011, the Companies Act 2006 and UK Generally Accepted Practice.

The accounts are prepared in sterling, which is the functional currency of the Charity. Monetary amounts in these accounts are rounded to the nearest £.

These accounts are prepared under the historical cost convention, modified to include the revaluation of fixed asset investments. The principal accounting policies adopted are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of consolidation

The consolidated financial statements incorporate those of Cope Children's Trust and its subsidiary (i.e. the entity that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 March 2021. Where necessary, adjustments are made to the financial statements of the subsidiary to bring the accounting policies used into line with those used by the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation.

Going concern

At the time of approving the accounts, the trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern. In line with ISA 570, it is felt that the charity can demonstrate it maintains sufficient reserves for the future based on prospective financial performance, cashflow and identification of risk reserves. Thus the Trustees continue to adopt the going concern basis of accounting in preparing the accounts.

Funds

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Charity and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the accounts.

Designated funds are funds which the Board have approved to be designated out of unrestricted reserves and which are for the purpose of spending against budgeted strategic aims. We anticipate these designated reserves will have been utilised in their entirety by 31 March 2024.

Income Recognition

All income is included in the Statement of Financial Activities ("SOFA") when the Charity is legally entitled to the income after any performance conditions have been met, the amounts can be measured reliably and it is probable that the income will be received.

Entitlement to donations usually arises immediately on receipt. For donations to be recognised the Charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the Charity and it is probable that they will be fulfilled. Income Tax recoverable in relation to donations received under Gift Aid is recognised at the time of the donation.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, the amount can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

No amount is included in the financial statements for volunteer time in line with the Charities SORP (FRS 102). Further detail is given in the Trustees' Annual Report.

Gifts in kind donated for resale or distribution are not recognised in the accounts until they are sold or distributed because the Trustees consider it is impractical to fair value the items due to the large volume of low value items. The Charity operates a retail Gift Aid Scheme for these goods which are sold in its shops on an agency basis.

Fixed asset gifts in kind are recognised when receivable and are included at fair value.

For legacies, entitlement is the earlier of the Charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasions, legacies will be notified to the Charity but it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from charitable activities includes income received from NHS contracts, income from local care commissioning groups and local authorities. Income from these categories is recognised at fair value when the Charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured with reliability. If entitlement is not met, then the amounts are deferred.

Income from trading activities includes income earned from the retail shops, fundraising events and trading activities to raise funds for the Charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

Lottery income is accounted for in respect of those draws that have taken place in the year.

Investment income is earned through holding assets for investment purposes such as listed investments and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest is recognised on an accruals basis and dividend and rental income is recognised as the Charity's right to receive payment is established.

Income from government and other grants is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. Income arising from the coronavirus job retention scheme and retail, hospitality and leisure grants have been accounted for and included within other income. Income from NHSE Covid-19 funding through Hospice UK is included within charitable activities.

Other income primarily includes hire of facilities and other sources and is recognised on an accruals basis.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs relating to the category. Expenditure is recognised when there is a legal or constructive obligation to make payments to third parties, it is probable that settlement will be required and the amount of the obligation can be measured reliably. It is recognised under the following headings:

- costs of raising funds includes costs incurred in seeking donations, grants and legacies, fundraising and investment management fees.
- expenditure on charitable activities includes those costs providing specialist palliative care and support, community services, research and other educational activities undertaken to further the delivery of the objects of the Charity.

Irrecoverable VAT is charged against the category of resources expended for which it was incurred.

Support costs allocation

Support costs are those that assist the work of the Charity but do not directly represent charitable activities and costs of raising funds and include office costs, governance costs, and administrative payroll costs. Support costs are allocated to costs of raising funds and expenditure on charitable activities on a basis consistent with use of the resources.

The analysis of these costs is included in note 6.

Tangible fixed assets and depreciation

Tangible fixed assets costing more than £250 are capitalised and other than freehold land are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

- freehold land is not depreciated
- leasehold property – over the life of the lease
- fixtures, fittings and equipment – on cost between three and seven years
- motor vehicles - on cost over four years

Impairment of tangible fixed assets

At each reporting period end date, the Charity reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset, or the asset's cash generating unit, is estimated and compared to the carrying amount estimated in order to determine the extent of the impairment loss (if any). Where the carrying amount exceeds its recoverable amount, an impairment loss is recognised in the SOFA.

Fixed asset investments

Investments in equity instruments which are not subsidiaries are initially recognised at transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (and losses) on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Investment property is measured at fair value at the reporting date with changes in fair value recognised in 'net gains / (losses) on investments' in the SOFA.

Interests in subsidiaries are measured at cost less impairment losses.

Financial instruments

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Stock cost is recorded at invoice price net of any discounts received. Donated items of stock for resale or distribution are not included in the accounts until they are sold or distributed because the Trustees consider it impractical to be able to assess the amount of donated stocks as there are no systems in place which record these items until they are sold and undertaking a stock take would incur undue cost for the Charity which would far outweigh the benefits.

Debtors receivable within one year

Debtors with no stated interest rate and receivable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the SOFA.

Cash at bank and in hand

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

Creditors payable within one year

Creditors with no stated interest rate and payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the SOFA.

Loans

Loans are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

Employee benefits

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

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

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

Retirement benefits

The Charity contributes to the NHS defined benefit pension scheme. This is a multi-employer pension scheme and it is not possible to identify the assets and liabilities of the scheme which are attributable to the group. In accordance with FRS 102 therefore, the scheme is accounted for as a defined contribution scheme.

The Charity also contributes to defined contribution schemes for other staff that are not eligible to join the NHS pension scheme. Contributions are expensed as they become payable.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the SOFA on a straight line basis over the term of the relevant lease.

Critical accounting estimates and judgements

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount 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 where the revision affects only that period or in the period, of the revision and future periods where the revision affects both current and future periods.

The Trustees do not consider there to be any key sources of estimates or uncertainty that have a significant effect on the amounts recognised in the financial statements.



2. Comparative Statement of Financial Activities Year ended 31 March 2020 Incorporating Income and Expenditure Account

	Unrestricted funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income from				
Donations and legacies	3,350,461	679,522	4,029,983	3,844,242
Charitable activities	417,881	360,657	778,538	740,186
Other trading activities	1,797,364	0	1,797,364	1,919,050
Investments	91,007	0	91,007	76,686
Other	43,352	10,725	54,077	56,892
Total	5,700,065	1,050,904	6,750,969	6,637,056
Expenditure on				
Raising funds	1,957,771	0	1,957,771	2,012,305
Charitable activities	3,564,094	1,065,999	4,630,093	4,607,051
Tax payable by subsidiary	0	0	0	0
Total	5,521,865	1,065,999	6,587,864	6,619,356
Net (losses)/gains on investments	(255,897)	0	(255,897)	71,033
Net (expenditure)/income	(77,697)	(15,095)	(92,792)	88,733
Net movement in funds	(77,697)	(15,095)	(92,792)	88,733
Fund balances at 1 April 2019	5,923,041	3,602,603	9,525,644	9,436,911
Fund balances at 31 March 2020	5,845,344	3,587,508	9,432,852	9,525,644



3. Income

Donations and legacies

	Unrestricted funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Corporate donations and gifts	963,951	10,000	973,951	1,238,700	15,000	1,253,700
Community donations and gifts	916,605	8,481	925,086	830,503	25,312	855,815
Legacies receivable	1,198,822	0	1,198,822	1,262,080	50,000	1,312,080
Grants - Trusts and foundations	136,826	705,585	842,411	19,178	589,210	608,388
Total	3,216,204	724,066	3,940,270	3,350,461	679,522	4,029,983

The above figures include gifts in kind donated by supporters amounting to £72,143 (£32,679 in 2020).

Charitable activities

	Unrestricted funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Clinical Care Commissioning and Local Authorities	279,017	0	279,017	417,881	0	417,881
Grants from NHS England	0	540,986	540,986	0	360,657	360,657
NHSE Covid-19 Funding	0	801,440	801,440	0	0	0
Total	279,017	1,342,426	1,621,443	417,881	360,657	778,538

The income from the Clinical Care Commissioning Groups and local authorities relates to annually agreed contracts for the provision of Hospice and day care services for the regions or individuals. The NHS England grant is our share of the block grant to children's hospices.

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.

Other trading activities

	Unrestricted funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Organised Events	66,854	0	66,854	232,577	0	232,577
Challenges	76,971	0	76,971	269,747	0	269,747
Lottery	681,642	0	681,642	751,087	0	751,087
Retail and business activities	218,305	0	218,305	543,953	0	543,953
Total	1,043,772	0	1,043,772	1,797,364	0	1,797,364

Investment income

	Unrestricted funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Income from						
Listed investments	60,491	0	60,491	72,836	0	72,836
Interest receivable	(1,415)	0	(1,415)	10,821	0	10,821
Investment property income	7,620	0	7,620	7,350	0	7,350
Total	66,696	0	66,696	91,007	0	91,007

3. Income (continued)

Other income

	Unrestricted funds £	Restricted Funds £	Total 2021 £	Unrestricted Funds £	Restricted Funds £	Total 2020 £
Contributions received for use of facilities	330	0	330	14,250	0	14,250
Coronavirus job retention scheme income	330,052	0	330,052	0	0	0
Retail, hospitality and leisure grants income	143,969	0	143,969	0	0	0
Other sundry income	33,094	0	33,094	29,102	10,725	39,827
Total	507,445	0	507,445	43,352	10,725	54,077

4. Expenditure on raising funds

	Staff Costs £	Depreciation £	Other Costs £	Total 2021 £	Total 2020 £
Cost of seeking donations and legacies	543,632	0	53,340	596,972	662,589
Fundraising					
Events/challenges	17,034	0	20,308	37,342	180,859
Lottery	18,558	0	144,733	163,291	251,663
Retail and business activities	241,524	15,285	166,374	423,183	489,502
Investments management costs	0	0	9,471	9,471	9,872
Support costs allocated (note 6)	302,902	14,866	85,583	403,351	363,286
Total	1,123,650	30,151	479,809	1,633,610	1,957,771
Restricted expenditure				0	0
Unrestricted expenditure				1,633,610	1,957,771

5. Expenditure on charitable activities

	Staff Costs £	Depreciation £	Other Costs £	Total 2021 £	Total 2020 £
Hospice direct care costs	2,667,747	0	371,515	3,039,262	3,356,434
Support costs allocated (note 6)	581,630	229,697	499,249	1,310,576	1,273,659
Total Care Costs	3,249,377	229,697	870,764	4,349,838	4,630,093
Restricted expenditure				2,112,476	1,065,999
Unrestricted expenditure				2,237,362	3,564,094

6. Support Costs

	Raising Funds £	Charitable Expenditure £	Total 2021 £	Total 2020 £
Governance Staff costs	0	23,202	23,202	21,179
Governance Other costs	0	14,280	14,280	13,916
Support Staff costs	302,902	558,428	861,330	708,304
Depreciation	14,866	229,697	244,563	318,614
Establishment costs	28,306	160,398	188,704	206,965
Other administration costs	57,277	324,571	381,848	367,967
Total	403,351	1,310,576	1,713,927	1,636,945

Support costs have been allocated on a basis designed to reflect the use of the resources.

7. Net income/expenditure for the year

	Total 2021 £	Total 2020 £
Is stated after charging:		
Depreciation	259,850	332,958
Operating leases - land and buildings	108,266	99,075
Auditor's remuneration (excluding VAT) – Audit	14,280	14,000
Auditor's remuneration (excluding VAT) – Other	1,020	1,000

8. Trustees remuneration and expenses

None of the Trustees (or any persons connected with them) received any remuneration or benefits from the Charity during the year, or the previous year. One of the Trustees (but not any persons connected with them) received reimbursed expenses totalling £117 from the Charity during the year, in relation to mainly travel costs arising from activities or training as a Trustee. In the previous year, one trustee received reimbursed expenses totalling £2,343.

9. Employees

Average Head Count excluding Trustees	2021 Actual	2021 FTE	2020 Actual	2020 FTE
Care	106	85	115	94
Administration	9	8	8	7
Fundraising	38	35	39	35
Finance	7	6	6	6
Human Resources	5	5	4	4
Total	165	139	172	146

Employment costs	Total 2021 £	Total 2020 £
Wages and salaries	3,810,082	3,984,205
Social security costs	306,116	308,014
Defined contribution pension costs	163,241	140,148
Defined benefit pension operating costs	111,678	97,577
Termination payments	44,663	31,378
Total	4,435,780	4,561,322
Key management costs - Total Remuneration	388,925	365,743
Number of volunteers	249	428
Number of employees whose annual remuneration was		
£60,000 - £70,000	2	1
£70,000 - £80,000	0	0
£80,000 - £90,000	1	1
£90,000-£100,000	1	0

We only include four employees in the above salary bandings. Should one of our other Directors have been in employment for the full twelve months, this would be higher and we would have shown three employees in the salary banding £60,000 - £70,000.

10. Tax status

The company is a Registered Charity and is entitled to certain exemptions from Corporation Tax on profits from investments and its trading activities carried on in furtherance of the Charity's primary objectives. The trading subsidiary is subject to corporation tax on its profits. A taxation charge for the year of £2,338 has been recognised (2020 - £0).

11. Tangible fixed assets

a) Group	Long Leasehold Property £	Fixtures Fittings & Equipment £	Motor Vehicles £	Total £
Cost				
At 1 April 2020	5,064,267	2,370,740	51,573	7,486,580
Additions	0	24,987	33,664	58,651
Disposals	0	(200,632)	(17,485)	(218,117)
At 31 March 2021	5,064,267	2,195,095	67,752	7,327,114
Depreciation				
At 1 April 2020	1,519,527	2,047,901	51,573	3,619,001
Charge for the year	102,256	156,175	1,419	259,850
Disposals	0	(200,632)	(17,485)	(218,117)
At 31 March 2021	1,621,783	2,003,444	35,507	3,660,734
NBV				
At 31 March 2021	3,442,484	191,651	32,245	3,666,380
At 31 March 2020	3,544,740	322,839	0	3,867,579

b) Charity	Long Leasehold Property £	Fixtures Fittings & Equipment £	Motor Vehicles £	Total £
Cost				
At 1 April 2020	5,224,608	2,165,951	51,573	7,442,132
Additions	0	24,987	17,898	42,885
Disposals	0	(200,632)	(17,485)	(218,117)
At 31 March 2021	5,224,608	1,990,306	51,986	7,266,900
Depreciation				
At 1 April 2020	1,551,544	1,876,623	51,573	3,479,740
Charge for the year	105,463	141,934	373	247,770
Disposals	0	(200,632)	(17,485)	(218,117)
At 31 March 2021	1,657,007	1,817,925	34,461	3,509,393
NBV				
At 31 March 2021	3,567,601	172,381	17,525	3,757,507
At 31 March 2020	3,673,064	289,328	0	3,962,392

Freehold land adjacent to the leasehold property was acquired as a gift from JS Bloor (Measham) Limited and Fairmeadow Limited in 2008. The Trustees believe its value is not material as the land is intrinsic to the Hospice site and buildings and could not be realised whilst this remains the case.

Leasehold property is inclusive of assets donated to the Charity in previous years. Such assets are valued at the cost price that would have been paid if the assets had not been donated as gifts in kind.

12. Fixed asset investments

a) Group	Listed Investments £	Cash held for investments £	Investment Property £	Subsidiary Undertaking £	Total £
Market value at 1 April 2020	2,865,067	107,503	235,000	0	3,207,570
Disposals at opening book value	(376,783)	0	0	0	(376,783)
Acquisitions at cost	452,643	0	0	0	452,643
Movement in Cash	0	(31,881)	0	0	(31,881)
Change in value in year	398,912	0	18,000	0	416,912
Market value at 31 March 2021	3,339,839	75,622	253,000	0	3,668,461

b) Charity	Listed Investments £	Cash held for investments £	Investment Property £	Subsidiary Undertaking £	Total £
Market value at 1 April 2020	2,865,067	107,503	235,000	2	3,207,572
Disposals at opening book value	(376,783)	0	0	0	(376,783)
Acquisitions at cost	452,643	0	0	0	452,643
Movement in Cash	0	(31,881)	0	0	(31,881)
Change in value in year	398,912	0	18,000	0	416,912
Market value at 31 March 2021	3,339,839	75,622	253,000	2	3,668,463

All assets are stated at fair value. The fair value of listed investments is determined by the market price, using the bid price, at the Balance Sheet date. The fair value of the investment property was not independently valued but is determined by the Trustees by reference to the open market value for similar properties at the Balance Sheet date.

Total net gains on investments recognised in the SOFA total £449,560 which include £416,912 unrealised gains and £32,648 realised gains.

Subsidiary Undertaking

The Charity holds 100% of the share capital of Cope Marketing Limited (no 03209321) a company registered in England and Wales. The principal activity is the sale of new and donated goods.

A summary of the trading results of Cope Marketing Limited is shown below:

	2021 £	2020 £
Turnover	402,065	451,054
Cost of sales	12,600	38,468
Gross Profit	389,465	412,586
Admin expenses	365,760	408,898
Taxation payable	2,338	0
Profit for the year	21,367	3,688
Total comprehensive income	21,367	3,688

A summary of the assets, liabilities and funds of Cope Marketing Limited is shown below:

	2021 £	2020 £
Fixed assets	33,988	33,509
Current assets	59,433	67,869
Current liabilities	(44,043)	(49,367)
Long term liabilities	(71,800)	(95,800)
Total net liabilities	(22,422)	(43,789)
Aggregate share capital and reserves	(22,422)	(43,789)

13. Stock

	2021		2020	
	Group £	Charity £	Group £	Charity £
Goods for resale	10,850	0	10,397	0

14. Debtors

	2021		2020	
	Group £	Charity £	Group £	Charity £
Trade debtors	57,724	54,029	128,428	121,023
Amounts due from group undertaking	0	95,800	0	119,800
Prepayments	127,372	105,151	175,484	146,089
Other debtors	39,376	38,950	66,050	63,105
Accrued income	1,284,950	1,273,861	1,169,844	1,159,667
Total	1,509,422	1,567,791	1,539,806	1,609,684

Amounts falling due after more than one year and included in the debtors above are:

	2021		2020	
	Group £	Charity £	Group £	Charity £
Amounts due from group undertakings	0	71,800	0	95,800

Amounts due from Group undertakings includes a loan to Cope Marketing Limited.

Interest on the loan was charged at 2.5% above the Bank of England base rate and the agreed monthly loan repayments of £2,000 each month were made. The balance outstanding will be reviewed during the 2021-2022 financial year once the economic climate becomes clearer following the easing of lockdown restrictions.

Accrued income includes legacies receivable of £1,105,471 (2020 £1,079,945).

15. Creditors: amounts falling due within one year

	2021		2020	
	Group £	Charity £	Group £	Charity £
Trade Creditors	87,927	82,301	115,149	99,684
Taxes and Social Security	86,645	84,307	161,860	161,860
Accruals	104,161	97,782	103,315	98,692
Deferred Income	829,491	823,791	472,246	466,967
Total	1,108,224	1,088,181	852,570	827,203

Deferred income represents income received in advance for grants, lottery ticket draws and entrance fees relating to events occurring in the next financial year. The movements in deferred income are shown below.

	2021		2020	
	Group £	Charity £	Group £	Charity £
Balance at the beginning of the year	472,246	466,967	418,343	413,670
Amount released to income in the year	(311,796)	(306,517)	(318,343)	(313,670)
Amount deferred in the year	669,041	663,341	372,246	366,967
Balance at the end of the year	829,491	823,791	472,246	466,967

16. Pension costs

Defined Contribution Schemes

The Charity operates a defined contribution pension scheme and contributions are charged in the financial statements as they are incurred. This scheme was closed to new members from the 31 March 2014 other than to senior employees joining the Charity.

With the introduction in July 2015 of the statutory requirements for employers to contribute to schemes and for employees to be auto-enrolled in a scheme, the Charity adopted the Government's own scheme - The People's Pension.

The Charity also contributed to the personal pension arrangements of a small number of employees who have their own private schemes.

Defined Benefit Scheme

The Charity also makes contributions to the NHS pension scheme which is an unfunded, defined benefit scheme that covers NHS employees, General Practices and other bodies, allowed under the direction of the Secretary of State, in England and Wales. It is a multi-employer scheme and as a consequence it is not possible for Cope Children's Trust to identify its share of the underlying scheme liabilities. Therefore, the scheme is accounted for as a defined contribution scheme and the cost of the scheme is equal to the contributions payable to the scheme for the accounting period. Employer pension cost contributions are charged to operating expenses as and when they become due.

Employer contributions	2021		2020	
	Group £	Charity £	Group £	Charity £
To defined contribution schemes	163,241	155,457	140,148	135,005
To defined benefit scheme	111,678	111,678	97,577	97,577
Total	274,919	267,135	237,725	232,582

17. Restricted funds

(a) Group

The funds of the Group include restricted funds comprising the following balances of donations and grants held on trust for specific purposes:

Movement in funds	Building for the future £	Hospice Funding £	Original Hospice £	Total £
Balance at 2020	2,264,246	454,536	868,726	3,587,508
Income	0	2,066,492	0	2,066,492
Expenditure	0	(1,946,639)	0	(1,946,639)
Depreciation	(57,105)	(76,659)	(32,073)	(165,837)
Balance at 2021	2,207,141	497,730	836,653	3,541,524

(b) Charity

The funds of the Charity include restricted funds comprising the following balances of donations and grants held on trust for specific purposes:

Movement in funds	Building for the future £	Hospice Funding £	Original Hospice £	Total £
Balance at 2020	2,387,068	454,536	868,726	3,710,330
Income	0	2,066,492	0	2,066,492
Expenditure	0	(1,946,639)	0	(1,946,639)
Depreciation	(60,190)	(76,659)	(32,073)	(168,922)
Balance at 2021	2,326,878	497,730	836,653	3,661,261

The 'Building for the Future' fund is for the therapy wing at the main Hospice site in Loughborough, Leicestershire.

The 'Hospice Funding' amounts were donated for the purchase of specified items on the Hospice wish expenses and equipment list and to increase services.

The 'Original Hospice' relates to the leasehold property building fund.

18. Unrestricted income funds

(a) Group

The funds of the Group include unrestricted funds comprising the following balances:

Movement in funds	Balance at 2020 £	Movement in year £	Revaluation £	Balance at 2021 £
Designated funds for Strategic Aims	0	3,092,930	0	3,092,930
General funds	5,745,125	(1,817,655)	5,059	3,932,529
Unrestricted funds excluding fair value reserve	5,745,125	1,275,275	5,059	7,025,459
Fair value reserve	100,219	414,109	(5,059)	509,269
Total unrestricted income funds	5,845,344	1,689,384	0	7,534,728

(b) Charity

The funds of the Charity include unrestricted funds comprising the following balances:

Movement in funds	Balance at 2020 £	Movement in year £	Revaluation £	Balance at 2021 £
Designated funds for Strategic Aims	0	3,092,930	0	3,092,930
General funds	5,785,110	(1,829,837)	5,059	3,960,332
Unrestricted funds excluding fair value reserve	5,785,110	1,263,093	5,059	7,053,262
Fair value reserve	100,219	414,109	(5,059)	509,269
Total unrestricted income funds	5,885,329	1,677,202	0	7,562,531

Designated funds for strategic aims includes planned spend on nurses in hospitals, other care developments, IT projects and lark rise developments. It is expected that £0.9m of designated funds will be spent during the financial year to 31 March 2022, with the balance of the designated fund expected to be spent over the following two years.

The fair value reserve represents the revaluation gains on the investment property and listed investments.

19. Analysis of net assets between funds

(a) Group Fund balances at 31 March 2021 are represented by:

	Unrestricted fund £	Restricted funds £	Balance at 2021 £
Tangible Fixed Assets	512,117	3,154,263	3,666,380
Investments	3,668,461	0	3,668,461
Current assets	4,462,374	387,261	4,849,635
Creditors due within one year	(1,108,224)	0	(1,108,224)
Total	7,534,728	3,541,524	11,076,252

(b) Charity Fund balances at 31 March 2021 are represented by:

	Unrestricted fund £	Restricted funds £	Balance at 2021 £
Tangible Fixed Assets	483,507	3,274,000	3,757,507
Investments	3,668,463	0	3,668,463
Current assets	4,498,742	387,261	4,886,003
Creditors due within one year	(1,088,181)	0	(1,088,181)
Total	7,562,531	3,661,261	11,223,792

20. Reconciliation of net income /(expenditure) to net cash flow from operating activities

	2021 £	2020 £
Net income /(expenditure) for the year	1,643,400	(92,792)
Investment income	(66,696)	(91,007)
Depreciation of tangible assets	259,850	332,958
(Gains)/losses on investments	(416,912)	261,953
Profit on disposal of tangible fixed assets	(1,800)	0
Profit on disposal of fixed asset investments	(32,648)	(6,056)
(Increase)/decrease in stocks	(453)	3,953
Decrease/(increase) in debtors	30,384	(198,238)
Increase in creditors	255,654	135,367
Net cash flow from operating activities	1,670,779	346,138

21. Related parties

There are no related party transactions that require disclosure. Until December 2020, A Trustee was also a Trustee of an NHS Trust which the charity has financial transactions. The NHS Trust invoiced the Charity for a total of £11,158 during the financial year to 31 March 2021 for pharmacy support and infection control, of which £1,506 was outstanding at the year end. The Charity invoiced the NHS Trust for a total of £62,400 during the financial year to 31 March 2021 for step down care. No amounts were outstanding at the year end. The Trustee has no involvement in the decisions or arrangements of these contracts.

The transactions between the charity and subsidiary include the interest on the loan amounting to £2,834 (2020 £4,257). During the year, the subsidiary sold donated goods on behalf of the charity which amounted to £29,813 (2020 £93,193) on which it received a commission amounting to £894 (2020 £2,796). The outstanding value of the loan as at 31 March 2021 is £95,800.



22. Operating Lease Commitments

At the reporting date the group and Charity had outstanding commitments for future minimum lease payments under non-cancellable operating leases which fall due as follows:

	2021		2020	
	Group £	Charity £	Group £	Charity £
Operating leases which expire:				
Within one year	77,761	1,277	104,183	5,108
Between two and five years	86,754	0	87,531	1,277
In over five years	0	0	0	0
Total	164,515	1,277	191,714	6,385

Cope Children's Trust acts as guarantor for the leases of two of the subsidiary company's charity shops. Outstanding commitments for future minimum lease payments in respect of these shops total £70,047 (2020 £75,107).

23. Financial Instruments

	2021		2020	
	Group £	Charity £	Group £	Charity £
Carrying amount of financial assets:				
Measured at fair value through income and expenditure	3,339,839	3,339,839	2,865,067	2,865,067

Financial assets measured at fair value comprise listed investments.

The basis of fair value for quoted investments is equivalent to the market value, using the bid price.

The main risk to the Charity from financial instruments lies in the combination of uncertain investment markets and volatility in yield.

Liquidity risk is anticipated to be low as all assets are traded and the commitment to intervention by central banks and market regulators has continued to provide for orderly trading in the markets and so the ability to buy and sell quoted equities and stock is anticipated to continue. The Charity's investments are mainly traded in markets with good liquidity and high trading volumes. The Charity has no material investment holdings in markets subject to exchange controls or trading restrictions.

The Charity manages these investment risks by retaining expert advisors and operating an investment policy that provides for a high degree of diversification of holdings within investment asset classes that are quoted on recognised stock exchanges. Furthermore, regular communication is maintained between the advisors and the Trustees.

Who makes this happen?



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